

Bye-Laws of

Employees' Co-op. Credit Society Ltd.,



- 1. Name, Number and Address of the Society**

- 2. Date of Registration**

- 3. Opening date of the Society**

- 4. Affiliated Date to the Bank and Name of the Bank**

- 5. Affiliated Date to A. P. State Coop. Union.**

- 6. If affiliated to any other Societies with Dates**

- 7. Area of the Society**

Bye-laws of the
..... Employee's Cooperative
Credit Society Limited

1. NAME, CONSTITUTION AND ADDRESS :

The
Cooperative Credit Society Limited, is a registered Cooperative Society under the Andhra Pradesh Cooperative Societies Act 7 of 1964. Its address shall be.

..... Cooperative Credit Society Limited

..... any change in the address shall be intimated to the Registrar.

Its area of operation of the Society shall confine to the Employees working

2. OBJECTS OF THE SOCIETY :

The objects of Society shall be ;

- a) to borrow funds from members or other financing Banks to be utilised for loans to members for useful purposes ;

- b) generally, to encourage thrift, self help and cooperation among the members of staff / employees;
- c) to mobilise savings and help its members in obtaining their credit requirements; and
- d) to undertake such other activities as may promote the economic interest of members and are incidental to attainment of the above objects;

3. MEMBERSHIP :

It shall be open to all the Regular / Permanent employees of the
and person signing the application for registration and those who are admitted to the Society by Managing Committee in the manner hereinafter mentioned shall become of the member of the society.

4. APPLICATION FOR MEMBERSHIP :

Every person eligible under bye-law No. 3 who is desirous of becoming a member send an application in the prescribed form, along with an admission fee of Rs per share stating the number of shares he wishes to subscribe for the Secretary who shall place the same before the Managing Committee at the next meeting.

5. ADMISSION FOR MEMBERSHIP :

Every application for admission to the Society shall be in the form prescribed and addressed to the Secretary of the society Such application should disclose in writing the information regarding the society or societies in which he is already a member which date of admission and share capital etc., held by him He should also declare the details and extent of services already availed of by him in such other society or societies as on

the date of his application. The society shall not without sufficient cause refuse admission to membership to any person duly qualified under bye law No. 3 If the Managing Committee decides to refuse admission, it shall record reasons for such a refusal. Where admission is so refused, the decision with the reasons therefore shall be communicated to such persons by the society within 15 days from the date of decision or within 60 days from the date of application for membership then the society shall be deemed to have admitted such applicant as a member on the date of expiry of such period and the Secretary should give effect to the admission.

The name of every person either admitted as a member under sub-section 3 of section 19 of the Andhra Pradesh Co-operative Societies Act 7 of 1964 or deemed to have been admitted as a member by virtue of the provision to the said section, within 30 days from the date of the resolution passed by the competent authority to admit such person as a member or from the date on which person is deemed to have become a member as the case may be.

Note - The Secretary shall maintain register to record the admission to membership in the form prescribed.

b) An appeal shall lie to the Registrar under sub-section 2) of Section 76 of the Act against refusal of admission to the membership within 60 days from the date of communication of the refusal to the applicant.

6. REGISTER OF MEMBERS :

Every member shall write or get written his name in the register of members along with the description and his address and shall put his signature or affix his thumb impression thereon. He shall sign a declaration that he will be bound by the existing bye-laws of the Society that may legally be effected during the period of his membership. Thereupon he shall be deemed to be a member having acquired all the rights and obligations and responsibilities of a member.

7. NOMINATION :

- 1) If a member dies his membership cease **Ipsco-facto**. Every member may nominate any person or persons to whom in the event of his death the value of his share or interest in the profit or assets of the society or any other money due to him shall be transferred or paid. The number of persons so nominated shall not exceed the number of shares held by the member. When a member nominates more than one person in respect of shares held by him he shall as far as possible specify the amount to be transferred or paid to each nominee in terms of those shares.

- 2) A nomination made by a member or any variation or revocation thereof shall not be valid and shall not in the event of the death of the member, have unless;
 - i) It is made in writing and signed by the member in the presence of atleast two witnesses;
 - ii) It is entered in the books of the society kept for the purpose; and
 - iii) The nominee may become a member only if admitted by the Managing Committee.

- 3) If no nomination has been made by a member to a person who is qualified in accordance with the bye-law for membership of the society the society shall on the death of the member by a notice exhibited at the office of the society invite claims or objections for the transfer payment of the shares of interest of the deceased member to a heir or legal representative within time specified in the notice. After considering the objection or claims, if any received in this behalf and after making such enquires as the managing committee considers necessary it shall decide as to person who, in its opinion is the heir or the legal representative of the

deceased member, and proceed to transfer or pay the share capital or interest of the deceased member to such person, such person shall be admitted as member before the transfer the share in his name is given effect to

- 4) Should a member cease to be eligible for membership, the society shall remove his name from the list of members and shall pay back within a reasonable period to such members the share capital already paid by him with dividend declared if any after deducting there from the money if any, due from him to the society either as principal debtor or as surety;

8. LIABILITY OF MEMBERS :

The liability of the members of the society shall be limited to the share capital subscribed by them.

9. SHARE CAPITAL :

- 1) The Capital of the society shall for the present be Rs made up of shares of Rs each. The value of each share shall be paid in lumpsum on allotment.

- 2) No member is entitled to take shares of the value of more than Rs or 1/5th of the share capital of the society whichever is less.

10. ENTRANCE FEE & SUBSCRIPTION OF SHARE :

A member on admission shall be required to pay an entrance fee of Rs /- and to subscribe atleast one share of the society. The value of the share is Rs which shall be payable at the time of application for membership in lumpsum.

H. CEASING OF MEMBERSHIP :

Membership shall cease in the following cases :

- a) Dismissal from service;
- b) Expulsion from society;
- c) Resignation from service;
- d) Resignation from society (if accepted by the committee);
- e) Insanity;
- f) Bankruptcy;
- g) Retirement on approved service;
- h) On death and
- i) During the period in which his / her pay is attached by the Court;

In these cases the accounts will be adjusted as decided by the Managing Committee in accordance with Act rules bye-laws and circulars of the Registrar.

12. EXPULSION OF A MEMBER :

1. A member may be expelled by 2/3rd majority in a general body meeting for the following cases :

- i) Persistant failure to pay off thrift deposit money or debt due from him to the society continuance for 3 months;
- ii) Dishonesty in his / her dealings with the society or acting contrary to its interest;
- iii) Conviction for criminal offence involving moratur-pitude.

2. All the expelled member are debarred from participating in the profits or any of the benefits of the society but shall have a right to receive within six months the paid up value of the shares without dividend or interest after deduction of any sum due by them to the society either as principal debtor or any other assets of the society.

13. REFUND OF SHARE CAPITAL :

No member is entitled to withdraw from membership of the society can claim refund of his / her shares partly or wholly within a period of 2 years from the date of his / her admission or payment of his / her shares whichever be later.

After the expiry of such period a member may with the sanction of the managing committee after giving one months notice to the society withdraw from membership his / her full paidup share if he / she is not directly or indirectly or indebted to the society either as a principal debtor or as surety. The Managing Committee shall refund the value of fully paid up shares within 1 year from date of its decision.

14. TRANSFER OF SHARES :

A member shall not transfer his / her share or shares unless and until :

- i) A member shall not transfer has held such share or interest for not less than one year.
- ii) The transfer or change is made to the society or to a member of the society or to a person whose application for membership has been accepted by the society and the committee has approved such transfer.

15. SHARE CERTIFICATE :

a) The society shall issue share certificate duly signed by the President and the Secretary of the society together with the seal of the society to every member for the shares taken by him/her after he/she completely paid to the society the value of such share in full.

b) If a share certificate is worn out, defaced or damaged, or lost irrecoverably, a duplicate may be issued by the Managing Committee on payment of Rs..... after ascertaining the proof of the original having been lost destroyed or defaced or worn out.

16. SETTLEMENT IN THE CASE OF DEATH :

- a) On the death of a member his/her nominee or in his/her absence, his/her legal heir/heirs shall have a right to receive within six months the value i. e., the paid up value of his/her share or shares plus dividends not drawn after deduction of any sum due by him/her to the society both as principal debtor or as a surety (as detailed in bye-law No. 7).
- b) The nomination is recorded in the books of the society kept for the purpose.

17. LIABILITIES OF A MEMBER :

- a) The liability of a member for the common debt of the society is limited to the value of the share or shares held by him. To this extent the liability of a past member as on date of ceasing to a member, shall continue for a period of 2 years from such date similarly the estate of a deceased member shall remain liable for the debt of the society for a period of 2 years from the date of his/her demise.
- b) If the society is dissolved within the above period of 2 years and a liquidator is appointed the liability of a past member or of the estate of a deceased member continue till the assets and liabilities are fixed by the Liquidator.

18. BYE-LAW :

With the sanction of the Committee, a member may at any time increase the number of shares held by him so as/to not exceed the limits laid down in bye-law No. 9 (2) that no member shall be permitted to reduce the number of share held by him

her before the expiry of two years from the date when such share is allowed.

19. BYE-LAW :

The Society will ordinarily obtain funds from the following sources.

1. Share capital from member;
2. Deposits from members;
3. Loans from Central or State Government;
4. Entrance; fee
5. Loan from Dist. Co-operative Central Bank Ltd.; or any scheduled bank or any financing agency;
6. Subsidies, grants, contributions, donations, reserve fund and other funds;

20. THRIFT DEPOSIT :

Every member should contribute a thrift deposit at the minimum rate of Rs per month irrespective of the number of shares hold by him. The thrift deposit shall be held to the credit of the members until he has ceased to be a member. Interest shall be allowed on these deposits at a rate not exceeding % per annum and may be paid in cash annually or adjusted towards a loan due by the member at the time he ceased to be a member of the society. The interest shall be calculated and added to the principle at the end of each co-operative year.

21. BANKERS :

The cash balances will be deposited in the District Co-op. Central Bank or any Scheduled bank with permission of the Registrar.

22. FIXED DEPOSITS :

Fixed deposits will be received from members with the previous approval of the Registrar.

23. BORROWINGS :

Subject to the provisions of bye-law No. 19 of the society may borrow all the money with the permission of the Registrar it requires from Government at such rates and on such terms as the Managing Committee may settle. There is however no objection to the Managing Committee obtaining deposits from member provided that such deposits are repaid as soon as the loan from Government is received.

24. MAXIMUM BORROWING LIMIT :

The total borrowing in the shape of loans and deposits of the society shall in no way exceed 10 times the paid up share capital plus the reserve fund.

25. MANAGEMENT :

Subject to such resolution as the General Body may from time to time pass the Executive management of the affairs of the society shall vest in a Managing Committee. The Managing Committee shall consist of not more than members.

26. TEAM OF THE MANAGING COMMITTEE :

The Managing Committee shall consist of member including the President, Vice-President, Secretary and Treasurer. The President and the member of the Committee shall be elected by the general body in accordance with the provisions of A.P.C.S., Rules as amended from time to time. The term of the member of the Managing Committee shall be for a period of 5 years. For the period of office of the committee the year shall begin with the date of conduct of Elections and end on the date on which the date of 5 years expire from the date. All the members of the Managing Committee shall be elected at one

and the same for the specified period of five (5) years. Any casual or interim vacancy or vacancies shall be filled up by co-option by the remaining members of the Committee at a meeting. The members of the committee co-opted in any casual office shall vacate office on the day on which the term of the office of the committee expires. It shall be open to the general body to remove at any time any member and elect another member in his place and the member so elected will hold office only for the unexpired period of the original term. The proceedings of the Managing Committee shall not be invalidated on account of any vacancy or vacancies on the committee. Notwithstanding anything in the bye-laws of the society, any member or members of the Committee including the President may resign his seat by sending a letter of resignation by Registered Post are by tendering it in person to the Registrar and such resignation shall take effect from the date it is accepted by the Registrar.

27. TWO CONSECUTIVE TERMS :

Person who holds or who has held office as a member of committee for two consecutive term shall not be eligible for being chosen as a member of the committee for a third term in continuation.

Expl : For the purpose of this section :

- i) when a period, during which there is no elected committee intervenes between the terms of office of the committee or any of its members, these two terms shall be regarded as being consecutive to each other.
- ii) A member shall be deemed to hold office for a term, notwithstanding that he has not held office for a full term.

28. DISQUALIFICATION FOR A BEING COMMITTEE MEMBER :

No person shall be eligible for being chosen, as and for being a member of the committee if he ;

- a) is or becomes a near relative of a paid employee of the society or its financing bank;
- b) is in default in the payment of any amount due in cash or kind to the society or any other society for a period exceeding 3 months;
- c) is a person against whom any amount due under decree, decision, award or order is pending recovery;
- d) acquires any interest in any subsisting contract made with or work being done for the society;
- e) is of an unsound mind and stands so declared by a competent court, a deaf, mute or a leper;
- f) is appearing as a legal practitioner on behalf of the society or against any other society;
- g) is paid employee of the society or a financing bank.

29. BYE-LAW :

Members standing for election to the post of President Vice-President, Secretary, Treasurer and Managing Committee members of the society shall be regular/permanent employees of the office of at the time of financing nominations.

30. MEETING OF THE MANAGING COMMITTEE :

1. The Managing Committee shall meet once in a month or often in necessary to conduct the affairs of the society. The quorum for a meeting of the Managing Committee shall be all questions before the Managing Committee shall be decided by a majority of votes and should there be an equality of votes the president or other presiding member shall have a casting vote. No member of the Managing Committee shall be present at a meeting of the Committee when any matter in which he is personally interested is

being discussed. In case of urgency where there may no sufficient time to convene a meeting of the Managing Committee and in all cases in which such a procedure may from time to time be prescribed by the committee, the Secretary may obtain the orders of the Managing Committee by circulation of the papers among all the members of the society. Such decision arrived at by circulation shall be placed before the next meeting of the Managing Committee for their ratification. Should a difference of opinion arise in the course of such circulation the matter shall not be decided by circulation but shall be placed before a meeting of the Managing Committee.

2. The Secretary shall send notice of the meeting along with the agenda to the committee members with the details of date and hour. The notice should be sent to the members atleast 7 days before the meeting in the case of ordinary committee meeting and 3 days in the case of urgent committee meeting.
3. The minutes of the meeting of the committee shall be recorded in a minutes book maintained for the purpose signed by members present in the meeting.

31. BYE-LAW :

Should a member of the Managing Committee absent himself from 3 consecutive meetings of the committee, he shall cease to be a member of the Managing Committee but it shall be open to the Managing Committee to reinstate him no a written requisition from him explaining his reasons for such absence. Provided that he shall not be reinstate more than once during the term of the committee.

32. POWERS OF THE MANAGING COMMITTEE :

Without prejudice to the General power conferred by the bye-laws, the following powers shall be exercised by the Managing Committee,

- a) To pay the preliminary expenses incurred in the promotion and registration of the society;
- b) to raise or borrow such sum of money by way of loan or otherwise as may be required from time to time for carrying out the objects to the society;
- c) To admit new member;
- d) To deal with application for loans;
- e) To prepare the annual report and balance sheet;
- f) To recommend the expulsion of members in accordance with the provisions given in bye-law No. 12 and accepted resignation of any member;
- g) To sanction all expenses incidental to the management of the society. The President being authorised to incur contingent expenditure upto a limit of Rs. in anticipation of the formal sanctions of the committee;
- h) To enter into contracts on behalf of the society, settle the terms thereof and to authorise an officer to execute all deeds agreements documents and to issue receipts in connection with the business of the society;
- i) To institute conduct defend compound or compromise any legal proceedings by or against the society;
- j) To authorise the secretary or one or more members of the committee co-operative on the bank accounts;
- k) To appoint paid employees and impose penalties on them to sanction salaries to employees on long leaves;
- l) To transact any other business of the society in accordance with these bye-laws; and
- m) To make arrangements for the maintenance of the accounts and registers as are prescribed by the Andhra Pradesh

- ~~Co-operative Societies Rules and by the Registrar from time to time.~~
33. **POWERS OF THE PRESIDENT, VICE PRESIDENT, SECRETARY AND TREASURER :**
- ~~Subject to such resolution as the Managing Committee may from time to time pass, the several officers of the society shall have powers mentioned below;~~
1. **PRESIDENT :**
 - a) to preside over all general body meetings and meetings of the Managing Committee.
 - b) to sign share certificates.
 - c) shall exercise overall control of the affairs of the society.
 2. **VICE PRESIDENT :**

To perform the duties of the President in his absence and when such powers have been delegated to him in writing.
 3. **SECRETARY, HE SHALL HAVE POWERS :**
 - a) to operate the bank accounts of the society within the limits prescribed by the Managing Committee.
 - b) to summon and attend all general body meetings and meetings of the Managing Committee.
 - c) to record the proceedings of such meetings and get them signed by the President or Vice-President and the Managing Committee members present in the meeting.
 - d) to supply all necessary information to members and the departmental officers and to carry on correspondence on behalf of the society.
 - e) to carry on the correspondence of the society to maintain its books or accounts and registers and to arrange their safe custody.

- f) of receive deposits, issue deposit certificates in accordance with the regulations framed in this behalf and to arrange their payment on maturity with interest;
- g) the receive applications for membership of the society to maintain record or them, place them before the managing Committee and communicate to the applicants of the decision of the Managing Committee with time prescribed in section 19 (3) of the APCS. Act 1964 and also to enter the names in the admission register.
- h) the Secretary shall be officer to sue or to be sued on behalf of the society and all bonds in favour of the society shall be in the name of the Secretary.
- i) to prepare the annual statements and by any other statements or reports called for by the Registrar or the Managing Committee
- j) to insur petty expenditure upto Rs at a time.

4) TREASURER :

- a) to receive and acknowledge amounts on behalf of the society. Receipts or sums in excess of Rs will be countersigned by the President or in his absence to the Vice-President or Secretary;
- b) to keep accurately and up to date all amounts and books required by the rules;
- c) to be responsible for the safe custody of money and other assets of the society.

34. GENERAL BODY :

The ultimate authority in all matters relating to the administration of the society shall vest in the General body. The meeting shall be convenced by the Managing Committee atleast

once in a year to conduct the business of society. The General Body shall not however interfere with the powers of the Managing Committee in respect of matters delegated to it, in the bye-laws the following among other matters shall be dealt with by the General Body.

The President of the society will Preside as its meeting. In his absence the Vice-President and in the absence of both any other members elected chairman of the meeting shall preside;

1. The election and removal of the members of the managing Committee.
2. Annual report to the Registrar of co-op societies.
3. Consideration of annual audit report and the annual reports and review of the financial position of the society.
4. The amendment or repeal of any existing bye-law or the enhancement of new bye-law.
5. The expulsion of a member.
6. The approval of the annual budget of income & expenditure.
7. The consideration of appeals against the Managing Committee.
8. The returns that may be prescribed by the State Govt.
9. Declaration of dividends as per Act, Rules, circulars and bye-laws.
10. Affiliation of the society to the financing bank or other societies.
11. Election of delegates to the financing bank or other societies
12. Appointment of auditors to audit the accounts from the list of the auditors approved by the Registrar and fix their remuneration with the sanction of the Registrar.

35. VOTES :

- a) All questions before the general body or special meetings shall be decided by majority of votes.
- b) Each member shall be entitled to have only one vote irrespective of the number of shares held by him. When the votes are equal the chairman shall have a casting vote. No voting by proxy shall be allowed.

36 GENERAL MEETINGS :

The General meetings shall be of two kinds i.e ordinary and special. The ordinary annual general meeting shall be held within three months of the last of March.

37 SPECIAL GENERAL MEETINGS :

The Managing Committee whenever necessary or upon the requisition in writing signed atleast two thirds of the total numbers on the roll or at the instance of the Registrar or any other person empower on his behalf and financing Bank to which it is indebted shall call a special general meeting within a month.

38. REQUISITION TO CALL SPECIAL GENERAL MEETING :

Any requisition made by members shall express the object of the meeting proposed to be called and shall be addressed to Secretary.

39. NOTICE OF GENERAL MEETING :

Notice of annual ordinary general meeting shall be sent to all the members of the society standing on the rolls as on the last day of the preceding year atleast 15 clear days before the meeting and notice of special general meeting shall be sent to all the members standing on the roll on the day of issue of notice atleast 7 clear days before the date fixed for such meeting.

The notice of annual ordinary general meeting and special meeting shall contain the date, place, time and the agenda. The non-receipt of such notice to a member shall not qualify the proceedings of the meetings such notice shall be sent to the members by any one of the following modes namely;

- (i) by local delivery; or (ii) by post under certificate of posting.

40. QUORUM FOR THE GENERAL MEETING :

The quorum necessary for the transactions of business at any meeting of the general body shall be 1/3rd of the members on the roll or 25 whichever is less. If within half an hour fixed for the meeting the quorum is not formed and if the meeting has been called on the requisition of members it shall be dissolved if recommended otherwise called for the meeting shall stand adjourned generally to the same day in the next week, at the same time. The business transaction at such postponed for the original date of the meeting. No quorum is necessary to transact business in the adjourned meeting.

41. METHOD OF VOTING IN GENERAL MEETING :

All matters that may be brought before the general body meeting shall be decided by majority votes taken by show of hands, a poll is demanded by members the votes shall be taken in such manner as the Chairman may direct;

The proceedings of the general body Managing Committee shall be accorded in the minutes book of the society and signed by the Chairman of the meeting concerned at the close of the proceedings.

The General Body shall be convened by a resolution of the Managing Committee.

BYE-LAW No. 42 :

The Managing Committee shall maintain a list of members on the rolls of the society who are qualified to vote at general

body meeting and shall bring such list upto date thirty days prior to the date fixed for each meeting of the general body. It shall be the duty of the Secretary to supply copies of such list to such members as may desire to have them on payment of Rs 5/- of such fees as may be prescribed by the Managing Committee in this behalf No society shall admit members of transfer shares within 30 days prior to the date fixed for any general meeting of the society.

LOANS

43. APPLICATION FOR LOANS :

Application for loans shall be addressed in the prescribed from to the Secretary who shall place them before the Managing Committee at their next Meeting. The Managing Committee shall be empower to deal financially with all loan applications Loans shall be given only to members but no members can claim a loan as a matter of right. The Secretary who receives the loan application shall make entry in a register prescribed for this purpose.

Loans shall be given as per seniority which a register will be mentioned an for purpose which in the opinion of the committee is useful;

Every member before getting loan should sign the agreement on the prescribed from authorising his pay disbursing officer to deduct his loans from his salaries and other sums due to him from the employer.

44. LIMIT & CONDITIONS OF LOAN :

A duly approved member may be allowed to borrow money from the society to the event of 10 times the value of shares held by him or 8 times to his pay plus DA whichever is less. Subject to a maximum of Rs (Rupees)

He shall produce two sureties of payment officials who are also members of the society The money borrowed shall be

repaid is not more than monthly instalments with interest by deduction from his / her salary. No member shall be allowed to undertake liability as surety exceeding his months salary.

45 DAYS OF GRACE AND PENAL INTEREST ON OVERDUE LOAN :

The instalments towards repayment of loans as well as the interest and the share money will have to be paid on the first of every month and will generally be recovered from the salaries of the members concerned through the pay disbursing officer. If the payment is not made within 5 days of each month; penal interest may be charged at the rate of paise per rupees per minimum in addition to the original interest.

BYE-LAW 46 :

When surety dies or cease to be a member, his name has on that account to be removed from the list of members the Managing Committee shall request the borrower to produce a fresh surety. If a fresh surety is not produced or arrangement are not made to repay, the loan account shall at once be closed and action taken for recovery of the loan due to the society. In respect of such accounts also interest shall be charged at paise per rupee per minimum from the date of closing the loan account to the date of recovery, provided that when the borrower ceases to be a member by reason of his transfer the Managing Committee may at their descretion give him a reasonable time to repay the loan.

BYE-LAW 47 :

If a member ineligible for membership at any time and his name has on that account to be removed from the list of members undr bye-law No. 11 the loan account if any of the term or which the loan has been granted and action shall be taken to recover from the borrower the amount outstanding against him including interest upto the date of closing the loan account. Interest shall be charged paise per rupee

per minimum on the amount so found outstanding from the date of closing the loan to the date of recovery.

48. INTEREST FOR HAND LOANS ETC :

Hand loans may be advanced to the members to an extent of 1/4th of his basic pay subject to a minimum of Rs. and a maximum of Rs. per month on 5th of calendar month Hand loans shall be payable in instalments with interest on the ensuing salary day.

Interest on hand loans shall be at the rate at .. paise per rupee per month or at the prevailing bank rate correct to the next five paise (any small fraction of five paise will be taken as one complete five paise of interest).

Also provided that if the hand loans not repaid on the salary day a grace period of 2 days will be allowed a further interest on the lines will be charged thereafter.

Hand loans may be given during all the 12 months in a year subject to the provisions of bye-law No. 49.

49. INTEREST ON LOANS :

One all the loans granted by the society interest will be charged at rate not more than % per annum over the borrowing rate and all the loans advanced only on production of two securities of permanent officials who are also member of the society.

50. REGISTERS BOOKS OF ACCOUNTS TO BE MAINTAINED .

The following registers and books of accounts shall be maintained by the society.

1. Registers of members and shares;
2. A book of proceedings of the General Body and Managing Committee and inspection notes of the officers and the Register.

- 3 A cash book showing all receipts and payments It shall be closed and the balance in hand shall be stuck each day on which entry is made.
- 4 A ledger showing the accounts of each member of the society
5. All other registers and books of accounts etc, that may be required to be maintained by the Registrar and Managing Committee of the society and as mentioned in the A P C S Rules of 1964.

51. INSPECTION OF BOOKS OF ACCOUNTS BY MEMBERS:

The books of accounts of the society shall be opened for inspection to the members so far they relate to their personal accounts individually.

52. AUDIT :

The annual General Body Meeting may appoint auditors to audit the accounts of the society from the list of auditors approved by the Registrar and fix the remuneration subject to the approval of the Registrar. The auditor so appointed shall send his audit report the society and to the Registrar.

Every year at the annual general body meeting Concurrent Auditors will be nominated from share holders whose duty will be to check the books of the society submitted to the general body subject to the final audit by the Co-op. Department.

53. PROFITS :

- a) At the close of each working year of the society the actual working expenses shall be deducted from the earnings and the balance shall be net profits;
- b) The net profits of the society as approved by the Registrar shall be disposed off by the General body of follows;

1. Atleast 25% of the profits shall be carried on to the Reserve fund.
2. A sum not less than 5% of the net profits shall be carried to the Reserve for bad and doubtful debits.
3. Audit fee and inspection fee as per Govt. orders.
4. Other reserves shall be provided for as required by the Registrar.
5. Contribution to educational fund and subscription to A.P. State Co-op. Union as per rules and circulars.
6. From the remaining a dividend not being less than 15% may be declared to the members on their share amounts paid.

54. RESERVE FUND :

1. The reserve fund shall belong to the society as a whole and is intended to meet unforeseen losses, it shall be indivisible and no member shall have any claim to a share in it. It may be drawn upon with the special sanction of the Registrar to meet unforeseen losses.
2. The reserve fund of the society shall be invested or sanctioned by the Registrar the society may utilise the whole or part of its reserve fund in its business.
3. On the dissolution of the society, the reserve fund together with the other funds constituted by the society in accordance with the bye-laws shall be applied by the Liquidators as per the provisions of the A.P. Co-operative Societies Act and rules.

MISCELLANEOUS

BYE-LAW No. 55 :

No amendment to alteration in or cancellation of a bye-law or the amendment of a new bye-law shall be made except

at a General Meeting of the members or shall be deemed to have passed unless 2/3rd members present vote for it or shall take effect until it shall have been approved and Registered by the Registrar under the A.P.C.S. Act 7 of 1964

56. DISPUTS WHICH MAY BE REFERRED TO THE REGISTRAR :

If any dispute touching constitution management or the business of the society other than a dispute regarding disciplinary action taken by the Society and its committee against a paid employee of the society, arises among parties referred to in section 61, such disputes shall be referred to the Registrar for decision. The decision or award of the Registrar given in such disputes shall be enforced through the Registrar. Civil Court or Collector in the District as laid down in the Andhra Pradesh Co-op. Societies Act 7 of 1964.

BYE-LAW No. 57 :

Should any sum or property belonging to the society be either stolen or otherwise lost and found irrecoverable it shall be open to the general body in write of such amount of the Registrar.

BYE-LAW No. 58 :

Matters where on particular provision exist in these bye-laws the A.P.C.S. Act 1964 and rules made thereunder and circulars or orders issued by the Registrar of Co-operative Societies from time to time shall be deemed to be part of bye-laws and shall be applicable.

BYE-LAW No 59 :

The Society shall keep a copy of the A.P.C.S Act and rules and its bye-laws open for inspection free of charges at all reasonable times at the Registered office of the Society.

BYE-LAW No. 60 :

The society shall not use, or allow to be used, any of its premises or portion thereof for any purpose other than such business.

BYE-LAW No. 61 :

No money shall be contributed towards the expenses of any Co-op; Conference unless such concerned is held under the auspices of a society which is authorised by its bye-laws, to undertake the holding of such conference.

