**The Federal House**

**Construction**

**Co-operative Society**

**Ltd. No. 962**

**Federal Gardens, Pulinchode**

**Aluva – 683 101**

**Bye-Laws**

**THE FEDERAL HOUSE CONSTRUCTION CO-OPERATIVE SOCIETY LTD. NO 962**

**FEDERAL GARDENS, PULINCHODE, ALUVA 683 101.**

**BYE-LAWS**

1. The Federal House Construction Co-operative Society Ltd is deemed to have been registered as a Co-operative Society under Kerala Co-operative Societies Act 1969. Its address shall be Federal House Construction Co-operative Society Ltd., Federal Gardens, Pulinchode, Aluva 683 101, in Aluva Taluk in Ernakulam District. Its operation shall be confined to the limits of Ernakulam Dist.
2. **OBJECTS** — The objects of the Society shall be
3. To acquire land by purchase, mortgage, lease, license, exchange or gift for the society or for its members.
4. To lay out land as sites for houses/flats for the benefit of the society or its members.
5. To lay out the land to suit the requirements of the society in shape of roads, streets, parks, playgrounds, schools, Hospitals, water works, market, and other social and sanitary amenities.
6. To construct or cause to be constructed buildings or other works of common utility to the society or its members.
7. To build or cause to build residential houses, flats or buildings or structures for the society or its members.
8. To give loans to members for acquiring land, flats, construction of residential houses.
9. To sell, hold, mortgage, lease out on hire, or on hire purchase basis, or otherwise, dispose of land/houses, house sites, buildings and other properties, movable or immovable as may be necessary for carrying out the objects of the society.
10. To establish and maintain social, recreative, educational public health, or medical institutions.
11. To raise funds required for the business of the society.
12. To repair, alter or otherwise deal with the buildings of the society and
13. To do all things necessary and expedite for the accomplishness of the aforesaid objects and for the comfort, convenience and good of the members.
14. **LIABILITY**

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

1. i. A past member shall be liable as provided in bye-law 3 for the debts due by the society as they existed on the date when he ceased to be a member, for a period of 2 years from such date.
2. The estate of a deceased member shall be liable as provided in bye-law 3 for the debts due by the society as they existed on the date of the decease for a period of 2 years after the decease.
3. **AUTHORISED CAPITAL**
4. The capital of the society shall for the present be 2.01 crores made up of 2,00,000 A class shares of Rs.100 each and 2000 B class shares of Rs.50/-. Every member shall pay an entrance fee of Rs. 25/- for A class membership and Rs.10/- for B class membership. But entrance fee shall not be payable by nominees or heirs of deceased members for shares or claimed by them either by nomination or succession.
5. B class members shall have no voting power and shall not be eligible to become a member of Board of Directors.
6. Every applicant for allotment of house site shall take 50 A class shares and every tenant, lessee or sub-lessee of land or building shall take 10 B class shares.
7. **MEMBERSHIP**
8. The membership shall be confined to all confirmed or probationary officers serving in any offices of Federal Bank Ltd. Registered Office, Aluva, who are desirous of owning a house in Aluva Taluk.
9. No person can claim for admission as a matter of right.
10. No person shall be eligible for admission as a member of the society if he is an applicant to be adjudicated as bankrupt or an insolvent or has been sentenced for any offence other than an offence of a political character or an offence not involving moral delinquency such sentence not having been reversed for the offence pardoned provided that the disqualification shall not apply where more than 5 years have elapsed from the date of expiry of such sentence.
11. Any member of the society shall cease to be a member of the society if he
12. applies to be adjudicated or is adjudicated as bankrupt or insolvent or
13. is sentenced for any such offence as is described in clause 6 (c) of the bye-laws, provided where a person ceases to be a member of the society under clause 6 (c) he shall be restored membership of the society if and when the sentence is annulled on appeal or revision.
14. becomes a member of any society in Kerala State registered with the objects specified in bye-law —2
15. Application for admission as members and for allotment of shares shall be made to the Secretary in the form, if any, prescribed by the society for the purpose. Every such application shall be disposed of by the board of Directors who shall have power to grant admission or to refuse it without assigning reasons.
16. 1. Every member shall take at least one share but no member other than the Govt. any statutory or Non-statutory board committee or corporation approved by the Govt. in this behalf or any other society leave or claim any interest in the shares of the society exceeding thirty thousand rupees.
    2. Every allottee of house plot/ house/flat shall take additional shares to the extent of 1/20th of the loans to be availed from the society.
    3. Every member shall be given a certificate signed by the President or two other Directors and specifying the face value of the shares. In case of loss of share certificates, a fee of Rs, 10/- shall be collected for the issue of a duplicate.
17. No member shall be permitted to withdraw any share/shares held by him, but the Board of Directors may permit a member to withdraw his share capital provided.
18. he has completely discharged the liabilities to the society.
19. he does not hold any interest in the society as hire purchaser or leasee or heir or transferee or leasee or a hire purchaser of plot or building, or flat in the possession or ownership of the society.
20. he has held the shares in the society for a period of not less than 3 years and has given six months notice of withdrawal and
21. the share capital of the society after withdrawal plus the value of the assets remaining in the possession and ownership of the society, according to the calculations be made as on June 30 preceding, that at least equal to the outside liabilities of the societies on the date of withdrawal.

**10.**

1. No member shall be permitted to transfer any shares held by him unless the transferee be a member or some person whom the Board of Directors is willing to admit as a member and provided in any case that the transfer of a share shall not be operative, unless and until it is sanctioned by the Board of Directors. Every transferee of a share shall pay a fee of Rs. 1/- per share.
2. All endorsement of transfers of share certificates shall be signed by the President or the Secretary whenever authorised by the Board of Directors in this behalf.
3. (1)Subject to the provisions of Bye-law 41,the Society may on the death of a member transfer his share or interest in the capital to the person nominated in accordance with bye-law 11(b), or if there is no person so nominated, to such person as may appear to the Board of Directors to be the heir or legal representative of the deceased member or pay to such nominee, heir or legal representative as the case may be a sum representing the value of such member's share or interest as ascertained in accordance with the bye-law.

(2) Subject as aforesaid, the Society may pay all other moneys due to the deceased member from the Society to such nominee, heir or legal representative, as the case may be.

(3) All transfers and payments made by the Society in accordance with the provisions of this bye-law shall be valid and affectual against any demand made upon the Society by any other person.

1. Every member of the Society may nominate a person to whom under bye-law 11 (a), his share or interest in the capital shall be transferred or the value thereof or any sum payable under the bye-laws shall be paid. Such member may from time to time revoke or vary, such nomination. shall, in the event of his death, be given effect to by the Society, provided that.
2. the nomination is in writing, and has been signed by the deceased in the presence of atleast two witness attesting the same.
3. the nomination has been registered in the books of the Society kept for the purpose; and
4. the nominee may become a member only if admitted by the Board of Directors.
5. **FUNDS**

The Society will ordinarily obtain funds from the following sources:-

1. Share subscriptions:
2. Loans from Government, Banks, Societies, Life Insurance Corporation of India, Housing and Urban Development Corporation and other statutory authorities, Corporations, Financial Institutions.
3. Donations:
4. Entrance and other fees:
5. Contributions towards a common pool account for the purpose of the maintenance of roads, water supply, lighting and sanitation in the colonies formed by the Society
6. Subscriptions and grants towards social, recreative and educational institutions in the colonies formed by the Society.
7. **BORROWINGS**

The Society shall borrow all the money it requires from Government or from any other sources mentioned in clause 12 of these bye-laws.

1. **MAXIMUM BORROWING LIMIT**

The total borrowing of the Society both by way of deposits or otherwise and whether from members or other shall not at any time exceed 40 times its paid up Share Capital plus reserve fund.

1. **MANAGEMENT**

Management of the affairs of the Society shall be vested with a board of Directors consisting of 13 members to be elected by the General Body for a period of 3 years from the date of taking charge. One post of Director is reserved for scheduled caste / Scheduled Tribe members and three posts are reserved for Woman members and one post is reserved for deposit holders of Rs.10000 and above among the members out of the total number of Directors. Within one month after the Board is elected it shall elect a President and Vice president and Secretary from among them. The proceedings of the Board of Directors shall not be invalidated on account of any vacancy or vacancies of the Board which remains unfilled.

The Board of Directors shall **meet in a month** or often if necessary to conduct the affairs of the society. The quorum for a meeting of the Board of Directors shall be 7. All Question before the Board of Directors shall be decided by a majority of votes. Should there be equality of votes, the President or presiding members shall have a casting vote. No members of the Board of Directors shall be present at a meeting of the Board when any matter in which he is personally interested being discussed. In case of urgency where there may not be sufficient time to convene a meeting of the Board of directors, the Secretary may obtain the orders by circulation of papers. Such decision arrived at by circulation shall be placed before the next meeting of the Board of Directors for their ratification. Should a difference of opinion arise in the course of such circulation that shall be placed before a meeting of the Board of Directors for a decision.

1. Should and elected member of the Board of Directors absent himself from four consecutive meetings of the Board, he shall cease to be a member of the Board of Directors. However he may reinstated by the Board of Directors.
2. Subject to such resolutions as the Board of Directors, may pass from time to time, several Officers of the Society shall have the power mentioned below.
3. The president shall have a general control over all the affairs of the Society and shall, with the approval of the Board of Directors make the necessary arrangements for the safe custody of cash and other properties of the Society and frame suitable subsidiary rules for this purpose.
4. The Vice-President shall exercise all the powers of the President when the latter is absent or when such powers have been delegated to him in writing. He shall preside over the Meeting of the Board of Directors, whenever the President is absent.
5. (1) No person shall e eligible for appointment as a member of the board of Directors of the Society, if he —
6. Is an applicant to e adjudicated as a bankrupt or an insolvent or an undischarged insolvent; or
7. has been sentenced for any offence other than offence of a political offence or an offence not involving moral delinquency or such sentence not having been reversed or the offence pardoned, provided that this disqualification shall not apply where more than five years have elapsed from the date of the expiration of such sentence ; or
8. is of unsound mind, a deaf, dumb, or a leper; or
9. is a paid employee of the Society ; or
10. is a near relation of a paid employee of the Society, provided when a question arise whether or not a person is a near relation of a paid employee of the Society, the question shall be referred to the Registrar for decision; or
11. is in default to the Society or to any other Society in respect of any loan or loans taken by him or is a defaulter to the Society or to any other Society ; or

(2) A member or the Board of Directors of the Society shall cease to hold his office, if he;

1. applies to be adjudicated, or is adjudicated a bankrupt or an insolvent; or
2. is sentenced for any such offence as is described in sub-clause (b) of clause (18); or
3. becomes of unsound mind, a deaf dumb, or a leper ; or
4. becomes a paid employee of the Society; or
5. becomes a near relation of a paid employee of the Society ; or
6. commits default in respect of any contract made with the Society or any other Society and if the default continues for a period of three months or becomes a defaulter to the Society or to any other Society; or

Provided that, where a person ceases to be a member of the Board under clause (b), he shall be restored to office for such portion of the period for which he was elected as may remain unexpired at the date of such restoration, if and when the sentence is annulled on appeal or revision and any person and any person elected to fill the vacancy in the interim shall on such restoration vacate office.

(3) Any officer of the society who appears as a legal practitioner

1. against the Society, or
2. (otherwise than in an honorary capacity) on behalf of the society shall be deemed to have vacated his office as such
3. The Society shall maintain printed receipt book in triplicate, numbered serially and receipt shall be issued for all money paid to the Society. For moneys paid by members the receipts shall be signed by the Secretary or any employee of the Society whoever selected by the Board of Directors to discharge this function. In case of borrowings from non-members or from other Societies or from Government or from Bank in receipt of the bond agreement, mortgage deed shall be executed by at least two members of the Board of Directors of whom the President or the Vice-President shall be one and such borrowing shall be reported the next General Body meeting and included in the Agenda.
4. It shall be the duty of the Board of the Directors to maintain such accounts and registers as are prescribed by the rules under the act and by the Registrar from time to time to place before the general meeting of the members, the Registrar's notes of audit or inspection within one month from the date of receipt to correspond with the registrar and to do all other business relating to the Society.
5. (1) The Board of Directors shall have power to incur such expenditure as may be necessary for the management of the Society and for general amenities such as parks, Community hall, Clubs, Shopping Centres, Schools, Library, Reading Room, Play grounds, drainage, sewage etc;

(2) Board shall entrust the maintenance of common amenities of various housing projects to respective ‘Residents’ Associations constituted under proper bye-laws approved by the Society with authority to collect maintenance fees etc from residents/owners.

1. (1) The method of recruitment, the conditions of service and the authority competent to fix, revise or regulate the scales of pay and allowance of paid officers and servants of the Society and the procedure to be followed in the disposal of disciplinary cases against them shall be decided by Board of directors

(2) No person shall be appointed as a paid officer or servant in any category of service in the Society without obtaining from him, security in such form and according to such standard as the Registrar may fix for such category of service in the Society or for the class of Societies to which it belongs.

(3) No paid officer or servant shall be retained in any category of service in the society if he does not furnish within such time as the Registrar may direct security in such form and according to such standard as the Registrar may fix for the category of service in which he serves in the Society or for the class of Societies to which it belongs.

1. It shall be competent to the Board of Directors to frame regulations for the conduct of the business of the Society consistent with the Act, the rules under the Act and these bye-laws. Such regulations shall be entered in the minute book of the Society.
2. The services of the members of the Board of Directors shall be gratitutious. However they shall be eligible for payment of sitting fee, traveling allowance, etc.

**SECRETARY**

1. The Secretary shall be responsible for the executive administration of the Society, subject to the control of the President. He shall exercise such powers as may be delegated to him by the Board of Directors from time to time. He shall be the officer to sue or to be sued on behalf of the Society. All bonds and other legal documents executed in favour of the Society shall be in his name. It shall be competent for him to incur petty contingent expenditure, subject to a maximum of Rs.5000/- and such expenditure shall be ratified in writing by the President, Vice President as soon as possible. He shall have power to operate on the bank accounts of the Society within the limits prescribed by the Board. He shall also sign, cheques and negotiate cheques and other negotiable instruments within the limits prescribed by the Board, provided that any drawings from the bank shall be only by cheques issued by the Secretary and countersigned either by the President and when he is not in station by the Vice-President. The cash book of the Society should be checked and signed by him daily in token of its correctness.

**GENERAL BODY**

1. The ultimate authority in all matters relating to the administration of the Society shall be the General Body of the members who shall meet from time to time and atleast once a year to conduct the work of the Society. The general body shall not however, interfere with the actions of the Board of Directors in respect of the matters delegated to it under the bye-laws. The following among other matters shall be dealt with by the general body;
2. The election of the Board of Directors.
3. the annual reports due to the Registrar of Co-operative Societies
4. the Registrar's annual audit certificate ;
5. the amendment or repeal of any existing bye-law or the enactment of a new bye-law;
6. To make any alteration/changes in authorised/issued share capital, capacity for holding of shares by any member etc.
7. the expulsion of a member;
8. the consideration of any complaint which any individual member may prefer against the Board of Directors;
9. the returns that may be prescribed by the State Government; and
10. passing of the annual budget of the Society
11. The Board of Directors may at any time call a general meeting of the Society for the conduct of business and shall call such a meeting within one month after receipt of a requisition in writing from 25 members or one-fourth of the total number of members whichever is less.
12. The Board of Directors members shall maintain a list of members on the rolls of the Society, shall revise such list 30 days prior to the date of Annual General Meeting. It shall be the duty of Secretary to supply copies of list of members to the desired members on payment of fees as prescribed by the Board of Directors. No members shall be admitted and no share shall be transferred within 30 days prior to the date of annual general meeting.
13. It shall be the duty of every member to attend the meetings of the general body. The quorum for a general meeting shall be 25 or one fourth of the total number of members on the list at the time, whichever is less.
14. The President when present shall preside at the Meeting of the General Body; in his absence, the vice President shall preside; and in the absence of both the President and Vice-President the body may choose a Chairman from the members present to preside at the meeting. Every member present shall have one vote. All questions except those mentioned in bye-law shall be decided by the majority of votes of the members. When votes are equal, the Chairman of the meeting shall have a casting vote. **The resolution amending bye-laws shall be passed by 2/3 majority of the members present in the meeting at the time of Voting.**
15. Fifteen days notice shall ordinarily be given to members before a meeting of the General Body is convened and three days' notice, if the President is satisfied that the matters for decision are urgent.

The notice for a General Meeting may be given to the members in the following modes:

1. by affixing a copy of the notice for the meeting in some conspicuous place in the area of operation of the Society and in the office of the Society; and
2. by circulation of the notice book and getting signatures of members In it or by publishing at two leading daily newspapers in the area of operation of the Society or by sending notice by registered post.

In case of amendments to bye-laws, notice shall be sent to each of the members in due time, either by circulation or publishing at two leading newspapers or by sending notice by registered post or otherwise and such notice shall give the members reasonably clear idea of the amendments proposed.

If there is any irregularity in the service of notice it shall not invalidate the proceedings. The General body proceedings shall be regularized by a resolution of the Board of Directors.

1. A member who has acted adversely to the interests of the Society may be expelled from the Society in conformity with the provisions of the Act and Rules. A member ceasing membership under bye-laws or otherwise or being removed there from, shall be entitled to all money due to him from the Society but he shall not have his share capital refunded to him until a pun;haser of the shares held by him is forthcoming to whom the shares can be realloted under bye-law 7 and 10 and until the value of such reallotted shares is paid into the Society. An expelled member shall be liable as provided in bye-law 3 for the debts due to the Society as they stood on the date of cessation of membership for a period of two years from such dates.

**PURCHASE OF LAND AND CONSTRUCJTION OF HOUSES**

1. It shall be competent for the Board of Directors —
2. to buy lands either from private parties or through Government or otherwise;
3. to render the land so purchased for habitation;
4. to layout streets, roads, parks, silos for common amenities and parcel out lands as house sites:
5. to sell or lease or mortgage or otherwise deal with the sites to members or others on such terms as it may determine; and
6. to provide or maintain facilities for water supply, drainage, lighting and similar works of common utility.
7. .a) When sites are acquired Society shall construct or cause to be constructed houses/flats according to the plan approved by the Board of Directors from time to time. No member shall be eligible for a house/flat unless he has got sufficient repaying capacity as prescribed by Board of Directors from time to time. Income shall include the income of husband and wife and in such cases husband/wife may be made a member. Board of Directors shall fix the value of site/house/flat to be allotted taking into account the value payable for the sites, estimated cost of common amenities and developments of land. Common expenses divided proportionately to the area of each flat. The Board however may fix a premium price for specified house/flat which in the Board's opinion are more advantageous and attractive to the members than others. It shall be open to the Board to fix a tentative value of each flat at the time of provisional allotment subject to the revision.

(b) Board of Directors may allot the house sites/houses/flats to those members who are eligible for allotment under hire purchase or absolute ownership basis.

(c) Allotment of hoUse sites/flats shall be according to the priority of applications submitted. If sufficient numberof houses/flats are not available, the allotment shall be made on the basis of a suitable norm decided by Board of Directors.

(d) The houses/flats may be constructed with the help of qualified contractors or firms of repute dealing in building contract on such terms and conditions as may be determined by the Board of Directors under supervision of Engineers appointed by the Society or they may be constructed by Society themselves.

(e) The Society shall collect/charge a supervision fee not exceeding 5% on the total cost of construction.

(f)The Society shall collect the value of houses/flats from the members who take them on hire purchase/absolute ownership basis in such instalments as may be determined by the Board of Directors and shall remit the amount so collected from the members towards meeting of the cost of construction, other related expenses or for repayment of the loans from the bank or other agencies borrowed by the Society for the purpose.

(g) The instalment payable shall fall due on every 10'11 of the month and the first instalment will fall due on date as decided by Board of Directors.

(h) Every member shall file an affidavit, loan application if loan required, income certificate and other documents/papers etc as required by Board of Directors, before provisional allotment of houses/flats. Members shall execute an agreement in the form prescribed by Board of Directors.

(i) Board of Directors may Register/Transfer undivided share of interest in flats to be constructed to members so as to enable them to avail loan for construction from outside agencies.

1. (a) In the case of loan applied for house/flat construction every member to whom a house/flat is allotted shall within such time as may be prescribed take fully paid up share in the Society of not less than five per cent of the aggregate loan. If the Board decides to purchase the land by direct negotiation or otherwise and collect the land value from member in full the members has to take fully paid up shares in the Society of not less than five per cent of the loan to which a member is eligible.

b) (i) The members whose houses are to be constructed shall deposit with the Society within the prescribed time a further sum equivalent to the difference between the approximate cost of the house/flats allotted to him and the amount of the loan he is eligible to get on the basis of his declared annual income and also the approximate cost of the additions and improvements which a member desires to have carried out in the house chosen by him and any other amount the Board may fix.

c) The allotment of house sites and construction of houses/flats for members shall be as per the programme approved by the Board of Directors from time to time.

d) Subject to the provisions of bye-laws 34 (c) the Board of Directors may allot house site and undertake construction of houses of any allottee who is prepared to advance in lump the entire cost of construction of house in addition to the value of land,

e) Every member to whom house/flat is allotted shall agree to pay the hire purchase margin/absolute purchase money within such period as decided by the Board of Directors under 34 f) There is however no objection to a member paying the balance in prescribed instalments or in one lump. Lumpsum payments of Rs.500 or its multiples made over and above the instalments and other dues shall be credited towards the principal of the value of the houses and or sites as desired by the members.

f) If a member to whom a house site is allotted fails to execute the interim agreement under bye-law 34 (h) within the time fixed or commits default in the payment of monthly instalments for the land for a period exceeding three months, the allotment of house site shall be cancelled and the amount deposited shall be refunded as decided by the Board of Directors.

g) If a member to whom a house site/flat is allotted and who has executed the interim agreement agreeing to take the house/flat on hire purchase basis fails to pay the advance as required under Sub-Clause 35 (b) to this bye-law or fails to execute the final hire purchase agreement and take the house constructed on the plot allotted to him or commits defaults in payment or monthly instalment for land/flat for a period exceeding six months the allotment of the house site/flat shall be cancelled and the arreas of the instalernnt and the loss ifany, sustained by the Society shall be recovered from the amount deposited under Sub-clause 35(b)to this bye-law and the balance amount will be refunded on application. He shall not be entitled to any refund of the instalment.

h) If a member who took a house/flat on hire purchase system but has not paid its value in part or in full rescinds the hire purchase contract, or fails to keep up the terms of the contract or commits default in the payment of the intalments for a period exceeding six months or rates, taxes, any other dues or in respect of any other terms of the hire purchase contract or otherwise, the hire purchase agreements shall be liable to be cancelled and he may be evicted from the house and such evicted member shall not be entitled to any refund of the instalments he had paid to the Society under the hire purchase system. The amount of the additional shares and initial deposits paid by him towards the value of the house may be refunded to him after deducting all costs incurred by the Society in the eviction proceedings or otherwise. However a member who surrenders to the Society the site/house/flats allotted to him shall be eligible to get refund of the additional share amount, the initial deposits and the principal portion of the instalments remitted by him after deducting any loss incurred by the Society. The penal interest, house tax, insurance, if any payable by the member till the date of acceptance of the surrender by the Board shall be deducted from the amount payable to him. The amount payable to such member shall be paid only after the site land house is reallotted to the first member in the priority list and the new allottee pays into the Society all the instalments with interest due as on date.

i) The agreement to hire purchase a house shall also specify the terms and conditions which may be prescribed by the rules framed by the Board of Directors relating to the loans granted by the Society to members desiring to purchase the house under the hire-purchase system.

j) No hire purchaser shall assign, let out. sublet or part with the possession of the property or any part thereof without the previous written permission of the Board of Directors.

k) In the case of transfer of ownership of the flat/house subject to other provisions of the bye-laws a fee of not less than Rs.10000/- (Rupees ten thousand only) is chargeable by the Society as transfer fee.

I) In the case a hire purchaser is temporarily unable to occupy or reside in the house on account of his being employed outside the area of operation of the Society or for other genuine reasons he may let out the building to a B class member with the previous written permission of the Board of Directors. Before so letting out the purchaser and the tenant shall have to sign an agreement with the Society in the prescribed form. If in the opinion of the board, the occupation of a house in the Colony by a particular tenant is found to be detrimental to the interests of the Society, it shall be open to the Board of Directors to ask the hire purchaser of the house concerned to evict such tenant within such time as may be fixed by the Board. In case the hire purchaser does not do so, the Board shall have the right to evict the tenant and to terminate the hire purchase agreement.

m) Interest at the rate of 2.5% per month shall be levied on all amounts defaulted in payment to the Society on the due date.

n) Rates and taxes shall be paid to the Society by the member who occupies the house, before the appointed date failing which action shall be taken against the member as provided 35 (g).

o) If the due date for repayment of a loan or instalment of a loan falls on a holiday, the next working day shall be deemed to be the due date for the repayment of such loan by instalment of loan.

p) When a member's total liability to the Society has been fully discharged or the member's liability can be fully discharged by adjusting the share amount remitted as per bye-law 35 (a) of these bye-laws such share amount remitted as per bye-law 35 (a) shall be refunded or adjusted to discharge the dues to the Society fully as the case may be,

q) A hire purchaser who has paid to the Society all the amounts due from him under the hire purchase agreement or otherwise may with the permission of the Board of Directors and upon such terms as the Board may fix, transfer all his/her interests and obligations under the hire purchase agreement and in respect of the property concerned to other parties provided however that no such transfer shall be made within 3 years of a member taking possession of a house on hire purchase and the transfer and his/her spouse shall not hereafter be entitled for a loan or allotment of house site and or house from the Society.

r) When a member remits all the dues to the Society with respect to a land/house/flat allotted to him including the hire-purchase liability if any, the Board shall execute a sale deed in favour of the member with respect to such land/house/flat.

**REPAIRS AND AMENITIES**

1. Notwithstanding anything contained by bye-law 35 it shall be competent for the Board of Directors to let out on rent any building of the Society on such terms and conditions as may be prescribed by rules framed in that behalf.
2. (I) Every member occupying a house shall do the annual maintenance of the building by himself. However, if the Board of Directors find that any building required any annual or special repairs for its proper keep up such repairs may be got done by the Society's employees or by contractors engaged by the Society and such fee as may be necessary therefore may be charged to the account of the member who has taken the building on hire purchase.

ii) When the Board of Directors arrange for the supply of water, lighting, draining or other amenities to their members, it may levy a contribution from members at such rates as may be decided by the Board.

iii) When the Society arrange for the provision of social, medical, recreative and educational institutions for the members as may be decided or approved by the members at a General Meeting of the Society, subscription may be levied on the member at such rates as may be decided by the Board.

**PROFITS**

1. Fifteen percent of the net profit of the Society as declared by the Registrar year after year shall be carried to the Reserve Fund. Education Fund as prescribed by the Rules shall also be paid from the profits of the Society. The balance may be divided as follows:-
2. A dividend subject to a maximum of 10 percent per annum on the paid up value of share capital held by each and for the period during which the paid up share capital was so held during the year. The dividend declared shall not actually be disbursed to the members as long as any dues are outstanding to the Society against them, and the amount of dividend due to each member shall be credited to his dues.
3. The balance shall be carried to the Common Good Fund. All undivided and indivisible profits and all profits not allotted in accordance with this bye-law shall be carried to the common good fund.

Note:- Common good fund shall be utilised for providing common amenities to the members for the achievement of one or all the objects mentioned in this bye-law.

**RESERVE FUND**

1. 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 up with special sanction of the Board of Directors to meet unforeseen losses.

2) The Reserve Fund of the Society shall riot be invested/deposited except with due permission/approval from Boar'd of Directors.

3) On the dissolution of the Society, the Reserve Fund together with the other funds constituted by the Society in accordance with its bye-laws, including the Common Good Fund shall be applied by the liquidator to the discharge of such liabilities of the Society as may remain undischarged out of the assets of the Society in the following order, namely:-

1. the debts of the Society
2. the paid-up share capital ; and
3. The dividend upon paid up share capital at a rate not exceeding ten percent per annum for any period or periods for which no dividend has been paid; or such dividend upon paid up share capital as will bring the total dividend paid to ten percent per annum for any period or periods for which the dividend at a rate lower than ten percent.

f) Any surplus funds remaining after the payment mentioned in clause 39 (3) of this bye-law shall be utilised in the following manner and subject to the following conditions, namely:-

1. The surplus funds shall be applied to such objects of public utility as may be selected by the General Body of the dissolved Society at a meeting and approved by the Registrar. It shall be competent for the liquidator to constitute a trust to carry out such object and to require the General Body to select a trustee or trustees from among the ex-members and/or others. If the general body does not select a trustee/trustees of if the selection of a trustee or trustees by the general body is not acceptable to the liquidator, may himself appoint a trustee or trustees as the case may be. The trustees, as the case may be, shall execute a deed, in such form as the Registrar may prescribe from time to time. A trust created under this sub-clause shall be governed by the provisions of the Indian trusts act 1882.
2. If within thirty days after issue of notice by the liquidator appointed to wind up the affairs of the Society, the general body fails to make any selection that is approved by the Registrar, the Registrar may place the surplus funds on deposit or otherwise with a financing bank working in the area in which the dissolved Society carried on its operations, until a new co-operative society with similar objects is registered in such area, in which case the funds shall be credited to the Reserve Fund of such society. If in the opinion of the Registrar, there is no prospect of a new society being formed in such area within a reasonable time the Registrar shall assign the amount to the Bad Debt Reserve or the Fund of the financing bank working in such area.
3. If, however, at and time the General Body resolves to split the Society into more than one society by excluding a portion of the existing area of operations from the operations of the Society and a new society of Societies be registered to cover the are so excluded, a portion of the Reserve Fund shall be transferred to the Society or societies as decided upon by the General Body which resolved upon in the General Body Meeting of the original Society.

**MISCELLANEOUS**

1. The Society shall have a charge upon the paid up share capital, deposit and any other money to the credit of a member or a past or deceased member in respect of any debt due to the Society from such member or past member or the estate of such deceased member and the Society may set off any such money payable to a member or past or deceased member or the estate of a deceased member in or towards payment of any such debt.
2. When a member from whom money is due pays any sum it shall be appropriated in the following order.

Firstly, the fees, fines, postal registration and other miscellaneous charges including the cost of additions and alterations to the house remaining after the final bills is rendered to the member and the cost of the compound wall due by him;

Secondly, to interest; and

Thirdly, to hire-purchase instalments.

1. No amendment to, alteration in, or cancellation of a bye-law nor the enactment of new bye-law, shall be made except at a general meeting of the members or shall be deemed to have been passed unless a majority of the members present vote for it or shall take offset until it shall have been approved by the Registrar.
2. The Society shall keep a copy of the Kerala Co-operative Societies Act, and the Rules there under and the bye-laws of the Society with uptodate amendments open to inspection free of charge during office house at the Registered office of the Society.
3. The Society shall not use, or allow to be used any premises used for its business or portion thereof for any purpose other than such business or other co-operative activities- unless it is remunerative.
4. Should any doubt arise as to the construction of the Act of any bye-law, the Board of Directors shall refer the same to the Registrar of Co-operative Societies for advice and act according to his advice.
5. The Society shall prepare annually in such form as may be prescribed by the Registrar; (a) a statement showing the receipts and disbursements for the year (b) a profit and loss account, (c) a balance sheet, and (d) such other statement as may be prescribed by the Registrar.

The Statements shall be made up to 30th June and a copy of the same shall be sent to the Registrar within fifteen days after the close of the Co-operative year ending 3011 June. After the Registrar has verified the statements and granted him audit certificate, the Society shall publish such of the prescribed statements as he may direct in the manner prescribed by him.

1. The Society shall prepare a list of its members, with their address, as on the last day of each Co-operative year and furnish a copy of it to the Registrar within one month from the close of such year. The list shall be kept open at the office of the Society during office house for inspection by any member of the Society and it shall be the duty of the Secretary to supply copies of the list to such of the members as desire to have them on payment of such fees as may be prescribed by the Board of Directors in this behalf.
2. If any dispute touching the business of the Society (other than a dispute regarding, disciplinary action taken by the Society or its committee against a paid servant of the Society) arises:-
3. among members, past members and persons claiming through members and deceased members, or
4. among members, past member or person claiming through member, past member or deceased member and the Society, its committee or any officer, agents or servant of the Society, or
5. between the Society or its committee and any past committee, any officer agent or servant or any past officer, past agent or past servant or the nominee, heirs or legal representatives of any deceased officer, deceased agent or deceased servant of the Society, or
6. between the Society and any other registered Society, such dispute should be referred to the Registrar for decision.

The Registrar may; on receipt of such reference

1. decide the dispute himself, or
2. transfer it for disposal to any person who has been entrusted by the State Government with powers in that behalf, or
3. refer it for disposal to an arbitrator or arbitrators
4. The decision or award of the Registrar or the person to whom the reference was transferred or by the Arbitrator or arbitrators to whom it was referred shall be final subject to the provisions of the Kerala Co-operative Societies Act and it may be enforced in any of these ways at the discretion of the President.
5. by an application made to the Collector of the District through the Registrar of Co-operative Societies requesting that the amount due under the decision or award may be recovered in the same manner as arrears of land revenue.
6. by an application to the civil court having jurisdiction over the subject matter of decision or award as if it were a decree of the court.
7. by an application to the Deputy Registrar of the District in which the cause of action arose, that the decision or award be enforced as provided in the Kerala Co-operative Societies act.
8. Should any sum belonging to the Society be either stolen or otherwise lost and found irrecoverable, it shall be open to the general body to write off such amounts after obtaining the sanction of the Registrar.
9. The cash balance that can be retained in the office of the Society shall not exceed Rs. 10,000/-
10. The Society shall have a common seal and a name Board for the office.
11. The Board of Directors may allow exchange of houses and plots between two hire purchasers or transfer of the house and or plots through the society to members selected by drawing of lots in the order of priority provided.
12. They are not in arrears of the hire purchase instalments and have cleared all other dues accrued to the society.
13. They Jointly apply to the society for permission to exchange or transfer of plots and houses.
14. They submit fresh affidavit as required under bye-law 35 (a)
15. They execute fresh hire purchase agreement in respect of the plots and houses.
16. They are otherwise eligible under the bye-laws to take on hire purchase of the land and house/flat taken in exchange or by transfer.
17. It shall be the duty of every member to intimate the society of every change in their postal address. All notices sent by post to the address last intimated to the society shall for the purpose of these bye-laws be deemed to have been properly and sufficiently served on the member concerned.
18. Any hire purchaser who contravenes any of the provisions of this bye-laws or the terms of the hire purchase agreement shall be liable to have his hire purchase agreement cancelled and evicted from the house and or site allotted to him.
19. Amount collected by way of margin on land and supervision charges on buildings constructed shall be credited to a development fund to be utilised only for common amenities such as construction of roads, parks, community hall, recreation and shopping centres as decided by Board of Directors.