

BYE-LAWS
As amended up to March 2022

I. PRELIMINARY

1. The Name of the Society is the **UNION BANK EMPLOYEES' CO-OPERATIVE THRIFT & CREDIT SOCIETY LTD.** and its Registered Address is **192, CHURCH MISSION ROAD, KHARI BAOLI, DELHI-110006.**
2. In these bye-laws, unless there is anything repugnant to the subject or context, the expression "the Act" means "The Delhi Cooperative 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". "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 members and more particularly:
 - 1) The creation of funds to be lent to its members;
 - 2) To undertake Thrift & Credit business by mobilizing deposits from members and Loan from Financing Institution;
 - 3) To own lands. buildings. Or take them on lease or rent for the business of the Society;
 - 4) To undertake welfare activities particularly for the members and employees for the promotion of their moral. educational and physical improvements;
 - 5) To undertake other means designed to encourage in the members the spirit and practice of Thrift, Self help and Mutual help;
 - 6) To do all such things as are incidental or conducive to the attainment of the above objects.

III. MEMBERSHIP

4. The members shall consist of:
 - (i) The persons joining in the application for registration;
 - (ii) Persons admitted in accordance with these bye-laws;
 - (iii) Nominal or associate members subject to conditions as laid down in Rules.
5. No person shall be member unless:
 - (a) He is substantively employed in **Union Bank of India, Delhi and New Delhi;**
 - (b) His written application of membership has been approved by the Managing Committee;
 - (c) He is competent to contract under section 2 of the Indian Contract Act 1872;
 - (d) He is not a member of any Primary Society dispensing credit with limited or unlimited liability;
 - (e) 1. The Society may admit joint membership provided they make a declaration in writing that the person whose name stands first in the share certificate shall have the right to vote and all the liabilities will be borne jointly and severally by them as provided in the Act, Rules and Bye-laws;
 2. In accordance with the procedure laid down in the Bye-laws and the Rules for admission of any member, the Society may admit any minors and persons of unsound mind inheriting share or interest of deceased members as its members through legal representative or guardian respectively. The member so admitted will enjoy such rights and liabilities as are laid down in these Bye-laws and which are consistent with the Act and Rules;
 - (f) He has carried out the provisions of Bye-laws;
 - (g)
 - (i) Every member on admission shall pay **Rs.100.00** as admission fee which shall not be refunded in any case;
 - (ii) When a person's application for membership has been accepted by the Managing Committee and he has paid his admission fee and share money. he shall be deemed to have acquired all the rights, incurred all the obligations as laid down in the Act and Rules made there under and these Bye-laws.
6.
 - (a) Promoter members are exempted from the provisions of Bye-laws 5 (b);
 - (b) The Society shall not admit members within 30 days prior to the meeting of the General Body.

7. A member of the Society may-be expelled by a 3/4th majority of the Managing Committee members present at the Managing Committee Meeting:
1. if he makes default in the payment of his installment of loan;
 2. if he has applied to be adjudicated as insolvent or is an undischarged insolvent;
 3. If he has been sentenced for any offence other than an offence of a political character or an offence involving moral turpitude and dishonesty; or
 4. if he undertakes an profession similar to the objects of the Society; or
 5. If he intentionally does any act likely to injure the credit of the Society or fails to observe proper discipline in regards to the work of the Society;
 6. 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 cooperatives;
 7. incurs any of the disqualifications as contained in Rules
- (a) Opportunity shall be given to a member before expulsion from membership to represent his case to the Managing Committee and expulsion shall not be effective unless it is approved by the Registrar.
8. A person ceases to be a member:
- (i) On death; or
 - (ii) For lack of confirmation of membership as per Bye-laws 5; or
 - (iii) When his resignation is accepted by the Managing Committee; or
 - (iv) On expulsion under Bye-law 7; or
 - (v) Ceasing to hold the minimum number of shares prescribed in these Bye laws; or
 - (vi) On withdrawal after one month's notice in writing to the Secretary, provided that the member withdrawing does not owe anything to the Society;
 - (vii) Ceases to be substantively employed in Union Bank of India.
9. (1) A member or the nominee or successor of an ex-member may transfer his share to another member or applicant qualified under Bye-law 5 and approved by the Committee or to a share transfer fund created by the Society out of its profit and shall. then be paid the value of his share. less any sum due from him to the Society;
- (2) Shares may, however, be returned in case of death, dismissal, transfer and retirement of a Member, provided he is not indebted to the Society and is not surety to an unpaid loan;
- (3) The value of the shares to be paid shall in no case be more than the same 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 of the Society, have no claim on the Reserve Fund or on any Other Funds or Property of the Society of any kind.

IV. CAPITAL

10. The Capital shall be composed of:
- (a) An undetermined number of shares of the value of Rs. **10.00** each;
 - (b) Deposits from members; and loans from Financing Institutions;
 - (c) Donations and Grants;
 - (d) Other Funds created out of profit;
 - (e) Realised Profits.
- Provided that the acceptance of deposits and loans from non- members shall be subject the prior approval of the Registrar.

V. SHARES

11. Every member shall purchase at least one hundred shares and no member shall hold shares 1/10 of the total shares capital actually subscribed. If any member by inheritance or otherwise become possessed, of more than the maximum holding permitted by the Act/ Rule, Managing Committee shall have the power to sell the excess number or buy them on behalf of the society and to hold the proceeds at his disposal.

12. Shares shall be paid in a single payment, in lump-sum by the Member either in Cash or by Cheque.
13. Shares shall not be withdrawn, repaid or transferred otherwise than provided in bye-law 9.
14. Every members may nominate a person or persons to whom on death. share shall be transferred but no member may nominate more than one person, unless he holds more an one share and in any case unless the amount to be paid to such nominees 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 putting 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 the Bye-law 9. If any deduction to be made from the shares of the deceased and there is more than one nominee, the amount to be deducted shall be set off against the amount due to each nominee in proportion to their interest.
15. The Society shall have the right to set off any money due to a member or past member or person claiming through member or 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 the face value of their paid up shares.

VII. GENERAL MEETING

17. The first general meeting of the members shall have the same powers as are here given to the Annual Meeting.
18. (a) The preliminary General Meeting shall be called within a period of not less than one month and not more than three months from the date of its registration. In this meeting the following business shall be discussed and decided:-
 - (i) Approval of allotment of shares, amounts collected and amount spent in connection with the Registration of the Society before Registration;
 - (ii) Election of Members of the Managing Committee;
 - (iii) Programme of activities for the ensuing year.
- (b) The society shall within a period 180 days next after the date fixed for making of its account for the year under the rules for the time being in force. call a general Meeting of its members for the purpose of:
 - (i) Approval of the activities of the Society prepared by the Committee for the ensuing year.
 - (ii) Election of the Committee other than nominated members subject to the provisions of Section 35 (I)
 - (iii) Consideration of the audit report;
 - (iv) Disposal of the net profit;
 - (v) Consideration of any other matter which may be brought forward in accordance with the Bye-laws.

Provided further that if such meeting is not called by the society within 180 days of the closing of Accounts, 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 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 person or persons who, in the opinion of the Registrar, were responsible for the refusal or failure to convene the general meeting.

- (c) If within 30 minutes of the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for 15 minutes to the same day and place but if the meeting is called upon the requisition of members (not the Registrar) it shall stand dissolved, provided that in the adjourned meeting no quorum shall be necessary. This should be clearly specified in the Agenda Notice issued to the members.
- (d) The presence of the 1/3rd of 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 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 and no member shall be allowed to vote if a decree or Award has been passed against him or he is a defaulter as defined in Act.
- (e) The President or the Vice President or in their absence, one of the other members elected for the purpose shall preside.

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

- (i) To elect, suspend or remove members of the Managing Committee including a President and one or more Vice-President;
- (ii) 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 & liabilities and profit & loss for the year;
- (iii) To consider the audit note / inspection note of the Registrar or financing Institution and any other communication from the Registrar;
- (iv) To dispose off profit in accordance with the Act, Rules and bye-laws;
- (v) To fix the rate of interest on loans with the approval of the General Body;
- (vi) To lay down for the guidance of the Managing Committee general policy for the various activities to be undertaken by the Society;
- (vii) To determine the nature and extent of the welfare activities to be undertaken by the Society;
- (viii) To fix the maximum credit limit of each member on the basis of his Income / Shares;
- (ix) To fix subject with the approval of the General Body maximum borrowing limit of the Society;
- (x) To amend the byelaws subject to the approval of the Registrar;
- (xi) To fix the terms and the rates at which penal interest shall be charged by the Managing Committee or overdue installments, which shall not exceed 3 % above the normal rate of interest charged by the Society;
- (xii) To consider any other business brought forward for which the Managing Committee is not authorised or is unable to transact.

21. All business discussed or decided at a General Meeting shall be recorded in a proceedings book which shall be signed by the Chairman of the Meeting.

22. Amendment of byelaws shall only be carried out by a majority of not less than 2/3rd of the members present in the general 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 30 days from the date of Meeting. All other questions before the General Meeting shall be decided by a majority of votes.

- 22. (1) If it appears to the Registrar that an amendment of a bye-law of a Cooperative Society is necessary/ or desirable in the interest of such Cooperative Society, he may call upon the Cooperative Society to make the amendment;
- (2) The Registrar may by serving a notice inform/call upon a society to make an amendment within a period not exceeding Sixty day;

- (3) After the expiry of the period specified in the notice under sub-rule (2) and if, the Society fails to make the amendment. the Registrar after giving the Cooperative Society an opportunity of being heard, may register the amendment and issue to the Co-operative 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;
- (4) 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.

VIII. MANAGING COMMITTEE

23. (a) The Managing Committee shall consist of at least 5 members of the Society and not more than 15 over the age of 21 years including a President and one Vice-President. Other Office Bearer shall be General secretary, Secretary, Joint Secretary, Treasurer and Assistant Treasurer. Two seats shall be reserved for Women Members of the Society as per Act. The President or Vice-President or in their absence one of other member of the Committee elected for purpose shall preside over meeting. Each member of the Committee shall have one vote but the President shall have a casting vote in addition ;
- (b) The Managing Committee member shall be elected and hold office for three years and shall be eligible for re-election. Office bearers shall not be eligible to hold such offices on a committee of another Cooperative Society of the same types or on the committees of more than three different types of the Society;
- (c) The Election of the Managing Committee shall be held by Secret Ballet in the manner given in Schedule II of the Delhi Cooperative Societies Rules;
- (d) 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 1/3rd members 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 meeting to be entered in the book maintained for the purpose in hand written at the spot in the presence of members present and voting. The minutes of each meeting shall contain the names of the members, if any, dissenting from or not concurring with any resolution. At the end of the minutes, each member present and voting shall sign them or proceeding shall be signed by the President and shall be circulated to Managing Committee members for confirmation. The quorum of the Managing Committee Meeting shall be 1/3rd member of the committee subject to a minimum 3. The notice of the Managing Committee is 5 days and in case of emergent meeting, the notice period is 24 hours provided the notice is served on all the members.
- (e) The meeting shall be held as often as required but a meeting shall be held atleast once in every month.
24. A member of the Committee shall cease to hold office if he/she:
- (i) Ceases to be a member of the Society;
 - (ii) Applies for insolvency or is declared insolvent;
 - (iii) Becomes of unsound mind; or
 - (iv) is convicted of any offence involving dishonesty or moral turpitude;
 - (v) Lends money on his own account;
 - (vi) Carries on business on his own account similar to that as specified in Bye-laws 3 (I) (II);
 - (vii) Resigns and his resignation is accepted by the committee;
 - (viii) Fails without showing satisfactory reason to the Committee to attend three consecutive Committee meeting, or
 - (ix) Defaults in the payment of loan and other dues of the society;
 - (x) Hold any office of profits under the Society.

25. The Committee shall exercise all the powers of the Society except those reserved for the General Meeting subject to any regulation or restrictions laid down by the Society in a general meeting or in these Bye-laws and in particular shall have the following powers and duties:
- (i) To observe in all their transactions, the Act, the Notified Rules and these Bye-laws;
 - (ii) To maintain true and accurate account of all money received. expended and bought or sold;
 - (iii) To keep register of members correct and upto date;
 - (iv) To keep true account of assets and liabilities of the Society;
 - (v) To prepare and lay before the General Meeting the Annual Profit and loss Account and Audited Balance Sheet;
 - (vi) To examine the accounts, sanction contingent and other expenditure and supervise the Maintenance of the prescribed registers;
 - (vii) To consider the Inspection Notes of the Registrar or any other person authorised by the Registrar to inspect, or of financing institution and to take necessary action;
 - (viii) To enroll new members and to issue new and transfer old shares;
 - (ix) To arrange for the loan installments recovery;
 - (x) To summon General Meeting in accordance with the Bye-laws;
 - (xi) To contract loans subject to any restrictions imposed by the Registrar or General Meeting;
 - (xii) To decide the terms and period for which loans are to be given and to approve or reject the Security, to arrange for the recovery of loans and interest and to impose penal interest on overdue installments as laid down by the General Meeting and to sanction, renew loan when necessary;
 - (xiii) To decide the terms, periods and the rates of interest at which deposits are to be received and to arrange for the payments of such deposits;
 - (xiv) To watch that the loans are applied for the approved purposes for which they were advanced;
 - (xv) To assist the inspection of the books by any person authorised by the Registrar;
 - (xvi) To appoint, suspend, punish and dismiss employees;
 - (xvii) Through any member 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 Officers or employees concerning the affairs of the Society;
 - (xviii) To acquire on behalf of the Society shares in other registered Cooperative Societies;
 - (xix) To arrange for the custody of books and to appoint one of its member or one of the Officer of the Society, residing in the area of operation, to take charge of all the registers and papers prescribed in these Bye-laws;
 - (xx) To invest the funds of Society in accordance with Section 56 of the Delhi Cooperative Societies Act and Rules;
 - (xxi) To acquire and hold property and to enter into contracts on behalf of the Society;
 - (xxii) To fix the maximum credit limit for each member in accordance with the instruction of the Registrar subject to the approval of the General Meeting. This limit will be fixed only when a member has filed a declaration giving the amount of his debts secured and unsecured with the rate of interest. The proposal for maximum credit limits of member of the Committee shall be brought before the General Meeting in a separate detailed resolution and shall not be included in the proposal for maximum credit limit of other members;
 - (xxiii) To fix the terms and conditions of services of their employee and to make recruitment;
 - (xxiv) To appoint a Treasurer to keep the money of the Society and require him to give such security as it may deemed sufficient;
 - (xxv) To elect Secretary/General Secretary from amongst of the Managing Committee and entrust him with such duties as deemed necessary;
 - (xxvi) To distribute the duties between the Secretary and the Manager, if necessary;
 - (xxvii) To arrange for the safe custody of the property of the Society, to maintain in good state of affairs and where necessary to arrange for its insurance;
 - (xxviii) To Co-opt Members against the vacancy caused by the resignation or disqualification of any member of the Managing Committee.

(xxix) To carry on the business of the Society.

In the conduct of the affairs 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 the Acts contrary to the law, the Notified Rules' and these Bye-laws.

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 loan in which he himself is interested as a borrower, nor shall he stand surety for a loan to another member of the Committee.

26. All business discussed or decided at a meeting of the Committee shall be recorded in a proceeding Book which shall be signed by the Chairman of the Meeting and all the Members of the Committee present.

27. (1) The committee of the Society shall specify which of the Officer of the Society shall:

- (a) keep the books of accounts;
- (b) keep other books and registers; and
- (c) prepare returns and statement:

Provided that a person charged with the keeping of accounts shall not be the incharge of cash.

(2) If the Committee of a cooperative society has not specified the officer required to be specified in Sub rule (1) notwithstanding anything contained in the Bye-laws of the Society, the following officers shall be responsible for keeping accounts. record etc. indicated against each namely:

Treasurer:

He shall keep or cause to be kept all the books of account and vouchers and shall prepare or cause to be prepared Annual Profit & Loss Account, Receipt and Disbursement Account and the Balance Sheet. Whosoever may be writing these books of Accounts, it 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 taken over.

General 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 this records to his successor under proper charge to be signed by the relieved officers.

Cash:

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

28. 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, experience and the emoluments. The Committee shall be competent to appoint, dismiss or remove any paid staff.

IX. REGISTERS

29. The following registers and papers shall be maintained and shall be open for the inspection by anyone interested in the funds, except that no one shall be allowed to see the deposit account of any person, without that person's consent in writing:

- (i) A register of members, showing the 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 bye-law 17;
- (ii) A Cash Book showing the income, expenditure and balance on each day on which business is Done;
- (iii) A ledger account for each member, depositor and creditor, miscellaneous and contingent income and expenditure;

- (iv) A register showing the maximum credit of each member;
- (v) An account of showing monthly installment of shares and deposits;
- (vi) A Register showing the monthly installments for payments of loans;
- (vii) A minute book;
- (viii) A book of bonds for all loans issued;
- (ix) A share allotment register;
- (x) Register of application for membership containing the name and address of the applicants. 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
- (xi) any other register prescribed by the Registrar;
- (xii) A pass book for each member and depositor;
- (xiii) A Surety Register.

30. Copies of the Bye-laws and the balance sheet shall be supplied free on demand to any member. The last balance sheet shall be open to the public inspection during office hours.

31. 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-law 29 and other papers in use of the Society.

X. COMPULSORY DEPOSIT

32. (1) Every member shall make monthly saving deposit with the Society Rs. 200.00 PM. and withdrawal from which, (to be determined by the Managing Committee from time to time) can be made for anyone of the following objects:
- (a) illness of himself or a relative;
 - (b) education of a relative or his children;
 - (c) marriage of himself or performance of religious ceremonies;
 - (d) purchase of land or building or repair of house;
 - (e) repayment of old s; and
 - (f) payment of insurance.
- (2) The amount deposited each month must not be less than Rs. 200.00 but may be varied once in each year at the member's discretion.
- (3) Any member failing to make the required deposit within a month of the prescribed date (7th of each month) shall receive no interest on deposits already deposited for the period during which the payment is in arrears.
- (4) With the sanction of the committee a member may be exempted from the obligation to deposit for any period during which his circumstances does not permit of such payment.
- (5) Compound interest shall be paid upon saving deposit at a rate not exceeding **3.50 %** to be determined annually. The interest shall be lower at least **3 %** of the rate which is to be charged on loans to members.
- (6) At least one week notice of withdrawal shall be required in case of monthly saving deposit provided the amount does not exceed Rs. - in which case 3 days notice shall be sufficient. The depositor will satisfy the Committee that the specified needs for which the amount is required has arisen, Any member who fails to apply the money to the purpose for which it was withdrawn by him shall repay all with interest on his deposit.
- (7) Withdrawals from the compulsory deposits shall be sanctioned by the Committee.
33. Loans may be granted to a member for any necessary purpose but preference shall be given to a loan for productive purposes. No loan shall be granted for extravagant or speculating purpose. No loan shall be advanced to a member who is in arrear of his Loan instalment or compulsory deposits or is a persistent defaulter. Applications for loan shall be submitted to the secretary stating the purpose for which the loan is required and they shall be dealt with by the Committee at its discretion. The committee is not bound to give any reason for rejecting the loan application.

The borrower shall execute a bond and shall furnish sureties as laid down in Bye-laws or decided by the Managing Committee.

All sureties must be members of the Society and must have furnished the declaration required in Bye-laws 25(22).

No loan shall be made to a member whose installments of Loan are in arrears or who is a persistent defaulter.

34. The Committee may at its discretion grant to any member a loan not exceeding **Rs.3,00,000.00** or SIX months pay of the borrower or 10 times the value of the paid up shares, whichever is less and shall take surety in each case. The limit is further subject to any general and special restriction or conditions imposed by the General Body of the society from time to time.
35. Loan shall be repaid by each member in monthly installments which may be fixed by the committee upto a maximum of 48 months. The Committee may suspend repayments of any installment for one or more month on sufficient cause being shown and may thereby extended the time of total payment by period not exceeding 6 months.
36. Emergent cases extraordinary loans upto one month's pay or whichever is less may be granted by the President and the Secretary subject to confirmation in the next Committee Meeting without security and irrespective of any loan already granted provided it is covered by the value of shares or deposits. This loan must be repaid in equal monthly installments.
37. If the Committee find that the security for an outstanding loan has become insufficient or that the borrower's material position has weakened, it may call back the loan at once. The loan shall be recalled if the Committee finds that it has not been applied to the purpose for which it was taken.
38. A member's commitment as surety shall not exceed an additional amount equal to his maximum credit limit. Unavailed portion of member's credit may be added to increase the limit upto which he may stand as surety. When members 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 been correspondingly decreased.

Permanent sureties may be taken subject to rules and regulations approved by the Managing Committee but previous 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 exceed at the discretion of the Committee in case where collateral security is also taken.

39. Interest on loans to members shall be charged at the rate **7% p.a** to be charged annually. In case of default penal interest shall be charged not exceeding 3% annually over the normal rate of interest subject to the approval of the General Body.
40. All documents creating a charge or obligation on the Society shall be signed by the President, the Secretary and the Treasurer. Provided that in the case of receipts and cheques and receipts for deposits and repayments of loans, the President or Secretary and Treasurer may sign. All important documents of the Society shall be sealed with the Society's seal. The seal shall be kept in the custody of the Secretary.
41. The Accounts of the Society shall be audited at least once a year by an auditor appointed by the Society from the approved panel of C.A.'s notified by the Registrar Cooperative Societies. The Society shall pay such Audit Fee as may from time to time fixed by the Registrar, Cooperative Societies, Delhi.

42. The following shall be the first charge on profits:
- (i) Contribution to 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 Insurance Charges;
 - (v) All payments of Salaries, Provident Fund, Working Expenses;
 - (vi) Interest on deposits etc.
- The balance shall be the net profit of the Society.
43. (i) Not less than **25 %** of the net profits 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 profit subject to a maximum of Rs.50000.00 every year for contribution to the Cooperative Education Fund to be administered by the Registrar; The Registrar may frame regulations for the utilisation and the administration of the fund. Any such amount payable by the Society, shall be a charge on the funds of the Society;
- (iii) Dividend on shares may be paid not exceeding **18 %** per annum;
- (iv) The remaining amount, if any, may be allocated to any of the purpose detailed below or may be carried over:
- (a) Bad Debt Fund;
 - (b) Rebate on timely payment of loan etc. by the members including beneficiary members;
 - (c) Common Good Fund according to Section 54 of the Act, Expenditure out of the fund shall be incurred with previous approval of the General Body;
 - (d) Dividend Equalisation Fund;
 - (e) Share Transfer Fund;
 - (f) Any other Fund required for business of the Society.
- (v) Dividend may also be paid to the members on loan borrowed from the Society and the deposit made with the Society by each member with the approval of General Body.
- (vi) Members shall have no right to the dividend unless declared and approved by the General Body. The dividend shall be paid to all members within three months of the approval of the General Body.
44. If no dividend is claimed for a period of three years from the date of declaration, notice shall be issued by the Society at the registered address of the member at his cost calling upon him to take the amount within one month of the notice and if the dividend is not claimed during the period it shall be credited to the Reserve Fund.
45. The rebate on loan, deposit shall be paid according to the rules approved by the General Meeting and subject to any restriction imposed by the Registrar.
46. No bonus in addition to the dividend shall be distributed on shares.
47. No dividend shall be paid while claim due from the depositor or creditor remains unsatisfied.
48. Allocation and distribution of profits shall be made after the annual Audit.

XIII. RESERVE FUND

49. The Reserve Fund is indivisible and no member is entitled to any claim of a specified share in it. It shall be invested in Government Securities or otherwise as directed by the Registrar under Section 56 of the Act.

XIV. DISPUTES

50. 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 or persons so claiming through a member and any officer, agent or servant of the Society (past or present) it shall be referred to the Registrar as provided in the Cooperative Societies Act and the Rules framed thereunder.

XV. GENERAL

51. All matters not specially provided are to be decided in accordance with the Cooperative Societies Act and the Rules made thereunder.

52. The Managing Committee with the approval of the General Meeting may frame Rules of Business for carrying on the work of the Society and may make additions or alterations in them from time to time.

53. In case of any dispute about the meaning, interpretation of any provision of the Cooperative Societies Act, Rules and these Bye-laws, the decision of the Registrar shall be final.

XVI. LIQUIDATION

54. The Society shall be wound up and dissolved by order of the Registrar according to the provision to Section 95, 96 of the Delhi Cooperative Societies Act, 2003.



Sd/-

General Secretary

sd/-

President

Seal

Sd/-

Registrar Co-op Societies
Delhi

REGISTRATION DOCUMENTS WERE SUBMITTED BY THE FOLLOWING 49 PROMOTORS, WE SALUTE THEM

or may be placed on deposit with a Central Co-operative Bank until such time as a new society with similar conditions is registered when with the consent of the Registrar, such surplus may be credited to the Reserve Fund of such new society.

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यूनियन बैंक
इम्प्लाइज कॉ-ऑपरेटिव
थ्रिफ्ट एण्ड क्रेडिट सोसायटी लि० (रजि०) दिल्ली

सहानक पंजीयक
कार्यालय : पंजीयक सहकारी समितियों
राष्ट्रीय राजधानी क्षेत्र, दिल्ली सरकार
संसद मार्ग, नई दिल्ली-110001 नव
Registered This 322... Day of ... 19...

REGISTRATION DOCUMENTS WERE SUBMITTED BY THE FOLLOWING 49 PROMOTORS, WE SALUTE THEM

