

**PROPOSED BYELAWS OF THE**  
**Tirumalla Tirupati Multi State Co-op. Credit Society Limited,**  
**Behind Ajamganj, Gunj Golai, Latur. Tq. Dist. Latur Pin – 413 512**  
**(Maharashtra)**

---

1. Name of the society shall be Tirumalla Tirupati Multi State Co-operative Credit Society Limited, Behind Ajamganj, Gunj Golai, Latur Tq. Dist. Latur. Pin – 413 512 (Maharashtra).

2. **PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE**

The principal place of business and the Registered Office of the Society shall be situated at Behind Ajamganj, Gunj Golai, Latur. Tq. Dist. Latur Pin- 413 512 (Maharashtra). Any change in the address shall be notified to the Central Registrar within 15 days of its change and also published in local newspaper and shall be made by an amendment of its bye laws after following the procedures laid down in Sec. 11 of the Multi State Co-operative Societies Act, 2002.

3. **AREA OF OPERATION**

The area of operation of the society shall be confined to the State of Maharashtra and Karnataka only.

4. **DEFINITIONS**

The words/expressions appearing in these bye-laws shall have the following meaning unless otherwise provided.

- a) "Act" means the Multi State Co-operative Societies Act 2002 as amended from time to time.
- b) "Rules" means the Multi State Cooperative Societies Rules, 2002 and as amended from time to time.
- c) "Central Registrar" means the Central Registrar of Co-operative Societies appointed under the provisions of the MSCS Act.

Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
  
Chief Pramoter



- d) "Bye-laws" means the bye-laws of the society for the time being in force which have been only registered or deemed to have been registered under the Multi State Co-operative Societies Act in force and includes amendments thereto which have been duly registered or deemed to have been registered under the Act.
- e) "Delegate" means a person who is duly appointed / elected by the members of the society of part thereof in accordance with its bye-laws as its representatives to the General Body of the Society or a person who is duly authorized by the board of the member society to represent the society in General body of the society of which the society is a member.
- f) "General Body" means all the members of the society, and includes a body constituted under the provisions of the Act.
- g) "Board" means the Board of Directors of the Society.
- h) "General Meeting" means a meeting of the general body of the society and includes special general meeting.
- i) "Chief Executive" means Managing Director of the Society.
- j) "Officer" means Chairperson, Vice-chairperson, Managing Director, Secretary, Manager, Members of the Board, Treasurer, Liquidator, an Administrator appointed under Sec 123 and includes any other person empowered under Multi State Co-operative Societies Act or the rules of the Bye-laws to give direction in regard to business of the society.
- k) "Member" means persons joining in the application for registration of the society and includes a person admitted to membership after such registration in accordance with the provisions of the act rules and bye laws of the society.
- l) "Nominal" member means a person who have been admitted as a nominal member as per the provisions of section 26 of MSCS Act, 2002.
- m) "Multi State Co-operative Society" means a co-operative society registered or deemed to be registered under the Multi-State Co-operative Societies Act, 2002.
- n) "National Co-operative Society" means a Multi State Co-operative Society specified in the second schedule to the Multi State Co-operative Societies Act, 2002.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

- o) "Co-operative Society" means a co-operative society registered or deemed to be registered under any law relating to co-operative societies for the time being in force in any State or Union Territory.
- p) "Federal Co-operative" means a federation of cooperative societies registered under the MSCS Act and whose membership is available only to a co operative society or a multi state cooperative society.
- q) A "Co-operative Bank" means a multi state co-operative society which undertakes banking business.
- r) "Reserve Bank" means the Reserve Bank of India constituted under the RBI Act, 1934 (2 of 1934).
- s) "Deposit Insurance Corporation" means the Deposit Insurance and Credit Guarantee Corporation established under Sec 3 of the Deposit Insurance Corporation Act 1961.
- t) "Defaulter" means a member who has defaulted in payment of any kind of dues payable to the society.
- u) "Co-operative year" means the period from 1st of April to 31st March.
- v) "Area of operation" means the area from which the persons can be admitted as members of the society.
- w) "Co-operative Principles means the co-operative principles as specified in the first schedule of the Multi-State Co-operative Societies Act, 2002.
- x) "Society means TIRUMALLA TIRUPATI MULTI STATE CO-OPERATIVE CREDIT SOCIETY LIMITED.

## 5. OBJECTIVES

### A. The Objects of the Society are

- a) Primarily, to create funds to be lent to members.
- b) To provide facilities for the exercise of thrift and savings.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

- c) To encourage self-help and mutual aid among members.
- d) To implement mutual benefit scheme the primary object of which is to create fund by raising contribution from members and loan from banks/others and to employ such funds for the benefit of its members.
- e) To implement thrift and saving schemes, primary object of which is to encourage and provide facilities of the exercise of thrift and savings among the members.
- f) To work for social and financial development of members.
- g) To provide credit facilities to members.
- h) To promote social and economic betterment of members through self help and mutual aid in accordance with co-operative principles specified in the first schedule of the Act.

**B. In furtherance of the above objects the society shall be at liberty**

- a) To receive deposits from members.
- b) To purchase, take on lease or in exchange, or otherwise acquire lands, buildings or any movable or immovable property necessary for the business of the Society.
- c) Generally to do all such other things as are incidental or conducive to the attainment of its objects.

**6. RAISING OF FUNDS**

**A) The funds of the society shall be raised in the following manner:-**

- i) Share Capital.
- ii) Admission Fees
- iii) Subscription
- iv) Deposits from members under various scheme
- v) Loans, Cash Credits, Overdraft from financial institutions
- vi) Donations, grants and subsidies.
- vii) Contributions
- viii) Profit



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

- B) The funds of the Society shall be applied to achieve the objectives of the Society.

## 7. MAXIMUM BORROWING LIMIT

Society shall be eligible to receive deposits from members and loan from others not exceeding 10 times of the subscribed share capital plus accumulated reserves minus accumulated losses if any.

## 8. SHARES

- a) The authorized Share Capital of the Society is Rs. Fifty Crore divided into Five lack share of Rs.1,000/- each.
- b) Money on shares shall be paid in full at one time and share certificates shall be issued on realization of the full amount subscribed for.
- c) The Society at its General meeting, may from time to time, increase the authorized share capital by creation of new shares of such number and amount as may be deemed expedient with the prior approval of the Central Registrar.
- d) No member other then the authorities referred to in clause (c) to (g) of sub section I of section 25 of the Act, shall hold more than 1/5th of the total share capital of the Society.

## 9. MEMBERSHIP

The Society shall have following types of membership.

- i) Ordinary members  
ii) Nominal members

## 10. ORDINARY MEMBERS

No person shall be admitted as a member of the society except the following, namely:-

- a) An individual, competent to contract under section 11 of the Indian Contract Act, 1872.  
b) Any multi-State Co-operative Society or any Co-operative Society.  
c) The Central Government  
d) The State Government



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

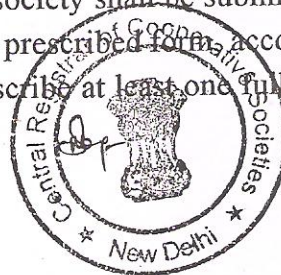
- e) The National Co-operative Development Corporation established under the National Co-operative Development Corporation Act, 1962.
- f) Any other Corporation owned or controlled by the Government.
- g) Any government company as defined in section 617 of the Companies Act 1956.
- h) Such class or classes of persons or associations of persons may be permitted by the Central Registrar having regard to the nature and activities of a multi state co-operative society.

## 11. CONDITIONS FOR ORDINARY MEMBERSHIP

1. An applicant will be enrolled as ordinary member upon fulfilling the following conditions.
  - a) He has applied in writing in the prescribed form.
  - b) He has paid admission fee of Rs.100/- and acquired at least one share of the Society.
  - c) He has given a declaration that he is not a member of any other similar co-operative society.
  - d) He has fulfilled all other conditions laid down in the acts, the rules and the bye laws.
  - e) The board of directors of the society approves the application to admit as a member.
2. No person shall be eligible for admission as a member of the Society if he –
  - a) Has not attained the age of 18 years.
  - b) Has been adjudged by a competent court to be an insolvent or an undercharged insolvent.
  - c) Has been sentenced for any offence, other than offence of a political character or an offence not involving, moral turpitude and dishonesty and a period of five years has not elapsed from the date of expiry of the sentence.

## 12. APPLICATION FOR MEMBERSHIP AND ITS DISPOSAL

- i) The application for membership of the society shall be submitted by the applicant to the managing Director of the Society in the prescribed form, accompanied by admission fee of Rs.100/- An applicant shall also subscribe at least one fully paid share at the time of application.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

- ii) The application for membership of the society found complete in all respect shall be disposed of within a period of four months from the date of receipt of the application by the society and the same shall be communicated to the applicant within fifteen days of the decision.

### 13. VOTES OF MEMBERS AND MANNER OF VOTING

- i) Every member of the society shall have one vote in the affairs of the society.  
ii) In case of equality of votes, the Chairperson shall have a casting vote.  
iii) Every member of the Society shall exercise his vote in person and no member shall be permitted to vote in proxy.

### 14. RIGHTS AND DUTIES OF MEMBERS

The members shall have the following rights and duties.

- i) A member shall be entitled to exercise his right as a member from the date of admission as a member.  
ii) Right to vote in general body meeting.  
iii) To receive notice of general body meeting as per the bye-laws of the Society.  
iv) To attend and take active part in the proceedings of the general body meeting.  
v) To take part in elections and contest for any post as per provision of the Act, Rules and bye-laws of the Society.  
vi) To inspect member registers, books of accounts or any other record and obtain certified copies of the resolutions or documents on payment of fee as may be prescribed by the Board of Directors from time to time.

### 15. DISQUALIFICATIONS FOR MEMBERSHIP

No persons shall be eligible for being or continue to be member of the Society if :-

- a) His/Her business is in conflict or competitive with the business of the society.  
b) Has defaulted in payment of any dues including contributions, subscription, if any, as may be decided by the board of the Society from time to time and has not made the payment within 30 days after receiving the notice for payment.  
c) Has not attended three consecutive general body meetings of the Society and such absence has not been condoned by the members in the general body meeting of the Society.  
d) He did not make annual transactions of the value of at least Rs.1000/- in two consecutive years.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

## 16. WITHDRAWAL AND RESIGNATION OF MEMBER

- i) A member may withdraw and resign his membership after two years and giving at least 3 months notice in writing and withdraw his share capital with the approval of the Board of Directors. The approval shall not be given while such a member is indebted, to the society. During any co-operative year, the aggregated withdrawals shall not exceed 10% of the total paid-up share capital as on 31st March of the preceding year.
- ii) A member who withdraws or resigns the membership will not be allowed to become a member again for a period of two years from the date of his resignation unless he repays the amount withdrawn by him from society.

## 17. EXPULSION OF A MEMBER

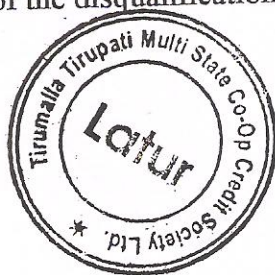
Society may by a resolution passed by a majority of not less than two thirds of the members present and voting at a general meeting held for the purpose, expel a member for acts, which are detrimental to the proper working of the society.

- a) On expulsion from the society, in accordance with the provisions of the Act and the Rules, a person will cease to be a member. Such expulsion may involve forfeiture of shares at the sole discretion of the Society. Provided that the member concerned shall not be expelled unless he has been given a reasonable opportunity of making representation in the matter.
- b) No member of the Society who has been expelled shall be eligible for re-admission as a member of the society for a period of one year from the date of such expulsion.

## 18. CESSATION OF MEMBERSHIP

The membership of the society may cease in case of

- i) Resignation of member duly approved by the Board or death of the member.
- ii) Cancellation of registration of the member society, if any.
- iii) Transfer of all the shares to another member of the society.
- iv) Expulsion of member by the general body.
- v) Incurring any of the disqualifications of membership.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter





## 19. NOMINAL MEMBER

The Society at its discretion may admit a person on payment of a non refundable fee of Rs.50/- as a nominal provided that such nominal member shall not be entitled to subscribe to the shares of the Society or have any interest in the management there of including right to vote, be elected as director of the board or participate in the general body meetings.

## 20. SHARE CERTIFICATE

- i) Every person admitted as a member of the society shall be entitled to receive in gratis a Share Certificate stating the number of share/shares and their distinctive number/numbers and the Chief Executive shall sign the share certificates. The Share Certificate shall bear the Society's seal.
- ii) If any Share certificate is worn out, defaced, mutilated, destroyed or lost new share certificates may be issued in lieu thereof on payment of a fee as prescribed by the Board per share certificate and upon the delivery of the original worn out certificate for cancellation and in the case of destruction of the Certificate, on giving indemnity to the Board of Directors may as be required and upon such terms and conditions as the Board of Directors may think fit.

## 21. NOMINATION

- a) A member may nominate a person to receive the member's interest in the Society after his/her death. Nomination shall be made in the prescribed form, and entered in the register kept by the Society for the purpose. Prior approval of the Board shall be necessary if the person to be nominated is an employee of the Society.
- b) Nomination can be revoked and fresh nomination be made on a number of times after due intimation in writing to the Society and on payment of prescribed fee as may be determined by the Directors from time to time for every subsequent nomination.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

## 22. DEATH OF A MEMBER

On the death of a member, the Society may transfer to the person or persons nominated a sum representing the value of the member's interest in the Society within six month from the date of death of the member. In the absence of nomination the - society may pay to such person as may appear to the Board of Directors to be entitled to receive the same as heir or legal representative of the deceased member on his or their executing an appropriate deed of indemnity in favour of the society.

## 23. LIABILITY OF A MEMBER

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

## 24. LIABILITY OF PAST MEMBERS AND ESTATE OF A DECEASED MEMBER

1. The liability of a past member or of the estate of a deceased member of the Society for the debts of the Society as they existed.
  - a) In the case of a past member, on the date on which he ceased to be a member.
  - b) In the case of a deceased member, on the date of his death, shall continue for a period of two years from such date.
2. However, where the society is ordered to be wound up under Section 86 of the Act, the liability of a past member who ceased to be member or of the estate of a deceased member who died within two years immediately preceding the date of the order of winding up, shall continue until the entire liquidation proceedings are completed. But such liability shall extend only to the debts of the Society as they existed on the date of cessation of membership or death. As the case may be.

## 25. LIEN ON SHARES, DIVIDENDS AND DEPOSITS

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



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

## 26. TRANSFER OF SHARES

A member may transfer his/her share or shares after holding them for not less than one year to another member. The board of Directors may approve such transfer of shares from the existing members on compliance of such terms and conditions as may be fixed by the Board of Directors.

## 27. GENERAL BODY

- i. The General Body of the society shall consist of all members of the society.
- ii. Subject to the provisions of the Act, the Rules and the bye-laws, the ultimate authority of the Society shall vest in the General Body.

## 28. POWERS AND FUNCTIONS OF THE GENERAL BODY

The Board of the Society under a resolution shall within six month after the close of the corresponding year call the Annual General Meeting at the principle place of business of the society for the purpose of:-

- a) Consideration of the audited statement of accounts.
- b) Consideration of the report and annual report.
- c) Consideration of audit compliance report.
- d) Consideration of audit report and annual report.
- e) Approval for appointment of auditors & fixation of remuneration.
- f) Review of operational deficit, if any.
- g) Creation of specific reserves and other funds.
- h) Approval of the annual budget.
- i) Approval of the long-term perspective plan and the annual operation plan.
- j) Review of annual report and accounts of subsidiary institution, if any.
- k) Expulsion of members.
- l) List of employees who are relatives of members of the board or the Managing Director.
- m) Amendment of bye-laws, if any.
- n) Formulation of code of conduct for the members of the board and officers.
- o) Election of members of the board, if any.
- p) Any other matter to be laid before it by the Board of Directors.



Tirumaila Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

## 29. SPECIAL GENERAL BODY MEETING

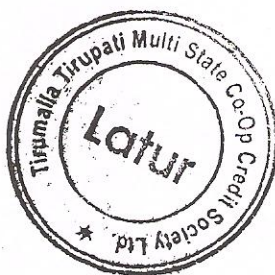
The Managing Director, may at anytime, on the direction of the board, call a Special General Body Meeting of the Society and shall call such meeting within one month after the receipt of requisition from the Central Registrar or from 1/5th of the total number of member of the Society to transact the business as stated in notice of the meeting.

## 30. NOTICE FOR ANNUAL GENERAL BODY MEETING AND THE SPECIAL GENERAL BODY MEETING

- a) Annual General meeting of the society may be called by giving not less than 15 days clear notice in writing to all the members of the society.
- b) Special General meeting of the Society may be called by giving not less than 7 days notice in writing to all the members of the society.
- c) The notice of the Annual General Meeting shall be accompanied by a copy of each of the audited balance sheet, profit and loss amount together with the auditors report relating to the preceding year and the report of the Board of Directors thereon. Notice of election to the Board of Directors if any and amendment to the bye-laws, if any.
- d) The notice of general body meeting shall be sent to members by any of the following modes namely.
  - i) By local delivery
  - ii) Under postal certificate. Besides, notice shall also be published in the news papers having wide circulation. Notice of the general body meeting shall also be affixed on the notice board of the society and its branches if any.

## 31. QUORUM OF THE GENERAL BODY MEETING

- i) The quorum for the general meeting shall be 1/5th of the total number of members or 50 members, whichever is less.
- ii) No business shall be transacted at any general meeting unless there is a quorum at the time when the business of the meeting is due to commence.
- iii) If within half an hour from the scheduled time of meeting, quorum is not present, the meeting shall stand adjourned and would be held after half an hour at which the quorum will not be required.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

- iv) If at any time during the meeting sufficient number of members are not present the chairperson or the person presiding over the meeting on his own, or on his attention being drawn to this fact, shall adjourn the meeting and the business that remains to be transacted at this meeting, if any, shall be disposed off in the usual manner at the adjourned meeting.
- v) Where a meeting is adjourned under sub-clause (iii) or (iv) the adjourned meeting shall be held either on the same day or any date decided by the Chairperson or the member presiding over the meeting; but within seven days of the adjourned meeting.
- vi) No business shall be transacted at any adjourned meeting other than the business on the agenda of the adjourned meeting.
- vii) The adjourned meeting will transact its regular business even without the quorum being present at the meeting.

### 32. CHAIRPERSON OF THE GENERAL BODY MEETING

The Chairman of the Board of Directors shall preside over the General body meeting. In his absence, the Vice Chairman and in his absence the members of the Board of Directors shall elect one of the member to preside the general body meeting.

### 33. RESOLUTIONS

Unless otherwise specifically provided in the Act, Rules and the Bye-laws, resolutions shall be carried by a majority of votes. Votes shall be taken by show of hands unless ten members demand poll in which case a poll shall be taken. However, election to the Board of Directors shall be held by secret ballot as per the procedure mentioned in the election schedule annexed to MSC'S Rules 2002.

### 34. MINUTES OF THE GENERAL BODY MEETING

Minutes of the General Body Meeting shall be entered, in the minutes book kept for the purpose within thirty days of the conclusion of the meeting and shall be signed by the Chairman and Managing Director. The minutes so signed, shall be an evidence of the correct proceedings of that meeting.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

35. **CONSTITUTION OF THE BOARD OF DIRECTORS**

- i) The affairs of the society shall be managed by the Board of Directors consisting of the following:
  - a) Eleven Directors to be elected by the members in the general body.
  - b) The Managing Director, who is the Ex-Officio member of the Board of Directors.
- ii) All the directors except the Managing Director shall be elected by the members in the General Body Meeting.
- iii) The elected Directors shall hold office for a period of five years from the date of election.

36. **POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS**

- 1) The Board of Directors may exercise all such power as may be necessary or expedient for the purpose of carrying out its function under act.
- 2) Without prejudice to the generality of the foregoing powers, such powers shall include the following powers:-
  - a) To admit members.
  - b) To interpret the organizational objectives and set up specific goal to be achieved towards these objectives:-
    - c) To make periodic appraisal of operations.
    - d) To appoint and remove a Managing Director Officer or other employees of the Society as are not required to be appointed by the Managing Director.
    - e) To make provisions for regulating the appoint of employees of the Society and the scales of pay, allowances and other conditions of service of, including disciplinary action against, such employees.
    - f) To place the annual report, annual financial statements, annual plan and budget for the approval of the general body.
    - g) To consider audit and compliance report and place the same before the general body.
    - h) To acquire or dispose of immovable property.
    - i) To review membership in other co-operatives.
    - j) To approve annual and supplementary budget.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

- k) To raise funds.
- l) To sanction loans to the members.
- m) To take such other measure or to do such other acts as may be prescribed or required - under this act, rules or the bye-laws or as may be delegated by the general body.
- n) To authorize officers to sign documents and to institute and defend suits and other legal proceedings on behalf of the society.

### 37. DESQUALIFICATION FOR BEING A MEMBER OF THE BOARD

1. A member of the Society shall be ineligible for being elected as, or for being a member for the Board, if such member -
  - a) Has been adjudged by competent Court to be insolvent or of unsound mind.
  - b) Is concerned or participates in the profits of any contract with the society.
  - c) Has been convicted for an offence involving moral turpitude.
  - d) Holds any office or place of profit under the society.

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

- e) Has been member of the Society for less than twelve months immediately preceding the date of such election or appointment.
- f) Has interest in any business of the kind carried on by the Society of which he is member.
- g) Has taken loan or goods on credit from the Society of which he is a member, or is otherwise indebted to such Society and after the receipt of a notice of default issued to him by such Society, has defaulted -
- i) In repayment of such loan or debt or in payment of the price of the goods taken on credit, as the case may be, within the date extended, which in no case shall exceed six months, within the date so extended or
- ii) When such loan or debt or the price of goods taken on credit is to be paid in Installments, is payment of any installment, and the amount in default or any there of has remained unpaid on the expiry of six months from the date of such default.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

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

- h) Is a person against whom any amount due under a decree, decision or order is pending recovery under this Act.
- i) Is retained or employed as a legal practitioner on behalf of or against the Society, or on behalf of or against any other Multi-State Co-operative Society which is a member if of the former Society. Explanation – For the purpose of this clause, “legal practitioner” has the same meaning as in Clause (i) of Sub Section (I) of Section (2) of the Advocates Act, 1961 (25 of 1961).
- j) Has been convicted for any offence under this Act.
- k) Is disqualified for being a member under Section 29 of MSCS Act, 2002.
- l) Has been expelled as a member under Section 30.
- m) Absents himself from three consecutive board meetings and such absence has not been condoned by the board.
- n) Absents himself from three consecutive general body meetings and such absence has not been condoned by the members in the general body.

2. A person shall not be eligible for being elected as member of board of the Society for a period of five years if, the Board fails.

- a) To conduct election of the Board under election 45 of the Act.
- b) To call the general body meeting under Section 39 of the Act.
- c) To prepare the financial statement and present the same in the annual general meeting.

### 38. REMOVAL OF THE ELECTED MEMBER OF THE BOARD BY THE GENERAL BODY.

An elected member of a board, who has acted adversely to the interests of the Society, may on the basis of a report of the Central Registrar or otherwise be removed from the board upon a resolution of the general body passed at its meeting by a majority of not less than two-third of the members present and voting at the meeting.

Provided that the member concerned shall not be removed unless he has been given a reasonable opportunity of making a representation in the matter.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter



### 39. VACANCY IN THE BOARD OF DIRECTORS

If any vacancy arise in the Board of Directors, it shall be filled by election by members in the General Body for the remaining unexpired term of the Board.

### 40. MEETING OF THE BOARD OF DIRECTORS

- i) The majority shall decide any question brought forward for discussion at the meeting of the Board of Directors. In case of equality of votes, the Chairman shall have a casting vote.
- ii) The proceeding of the meetings of the Board shall be recorded in the minute book to be kept for the purpose.
- iii) The Managing Director shall convene the meeting of the board at the instance of the Chairman of the Society.
- iv) The Board of Directors shall meet at least once in every quarter.
- v) The meetings of the Board of Directors shall normally be held at the registered office of the society. In exceptional cases, the meetings of the Board may be held at any other place as decided by the Board but within the area of operation of the Society.
- vi) The meetings of Board of Directors shall be presided over the Chairman or in his absence by the Vice Chairman and in the absence of both Chairman & Vice Chairman, the Directors Present in the meeting shall elect a Chairperson for the meeting form among themselves.
- vii) Seven days notice shall ordinarily be necessary for the meeting of the Board of Directors.
- viii) The quorum of the Board Meeting shall consist of five elected directors.

### 41. COMMITTEES OF THE BOARD

The Board of Directors shall constitute an executive Committee and other committees or sub committees as may be considered necessary, Provided that other committees or sub-committees other than the Executive Committee shall not exceed three at a given point of time.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

#### 42. CHAIRMAN AND VICE CHAIRMAN

There shall be a Chairman and Vice-Chairman elected by the Board of Directors form among themselves. The Chairman and in his absence the Vice-Chairman shall preside over the Meeting of the General Body. The term of office of the Chairman and Vice-Chairman shall be co-terminus with the term of the elected Board unless Chairman or Vice Chairman ceases to be a Director earlier. In case of any vacancy within this period the Board shall fill up the vacancy through re-election for the unexpired term of the Board from among themselves.

#### 43. POWERS AND FUNCTIONS OF THE CHAIRMAN

The Chairman shall have the following powers and functions :

- i) He shall preside over the meeting of the general body, Board of Directors, executive committee and any other sub-committee.
- ii) The Chairman shall sign the proceedings of the meetings presided over by him.
- iii) In the event of equality of votes on a resolution the Chairman shall have a casting vote in the meeting.
- iv) To convene the meeting of the Board of Directors, Executive Committee and other committees of which he is the Chairman.

#### 44. PROHIBITION TO HOLD OFFICE OF CHAIRMAN OR VICE-CHAIRMAN IN CERTAIN CASES.

- a) No member of the Board shall be eligible to be elected as Chairman or Vice Chairman of the Society if.
  - i) He/ She is a minister in the Central or State Government.
  - ii) At the same, time he/she is holding the position of Chairman or Vice-Chairman of the Board of more than two Multi-State Co-Operative Societies.
- b) No member of the Board shall be eligible to be elected as Chairman of the society if he has held office during two consecutive term whether full or part.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

#### 45. MINUTES OF THE MEETING OF BOARD OF DIRECTORS

The minutes of meeting of the Board of Directors shall be recorded in the Minute Book kept for the purpose within thirty days of the meeting and the pages of which shall be duly numbered. The Chairman of the meeting and the Managing Director of the Society shall sign the minutes of the meeting.

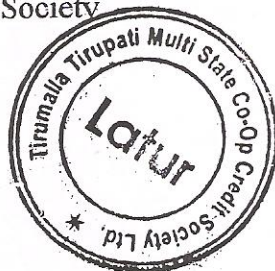
#### 46. CHIEF EXECUTIVE

Managing Director shall be the Chief Executive of the Society and he shall be appointed by the Board of Directors. He shall be a full time employee of the Society and he shall aid and assist the Board of Directors in their functions. The managing Director shall also be the ex-officio member of the Board of Directors.

#### 47. POWERS AND FUNCTIONS OF THE MANAGING DIRECTOR

The Managing Director shall under general superintendence, direction and control of the Board, exercise the powers and discharge functions as specified below, namely:-

- a) Day-to-day management of the business of the Society.
- b) Operating the accounts of the Society and be responsible for making arrangement for safe custody of cash.
- c) Signing on the documents for and of behalf of the Society.
- d) Making arrangement for the proper maintenance of various books and records of the Society and for the correct preparation, timely submission of periodical statements and returns in accordance with the provisions of this Act, the Rules and the bye-laws.
- e) Convening meeting of the general body of the Society the Board and the Executive Committee and other committees or sub-committees constituted under sub-section (i) of Section 53 of the Act and maintaining proper records for such meetings.
- f) Making appointments to the posts in the society as may be approved by the board of directors.
- g) Assisting the Board in the formulation of policies objectives and planning.
- h) Furnishing to the Board periodical reports of policies objectives and planning.
- i) Appoint the person to use or be used on behalf of the Society.
- j) Present the draft annual report and financial statements for the approval of the Board within thirty days of closure of the financial year.
- k) Performing such other duties and exercising such other power, as may be specified in the bye-laws of the Society



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.

*[Signature]*  
Chief Pramoter

#### 48. DEPOSITS

- i) Deposits may be received from members at any time within the limits determined under the Act and Rule on such rates of interest and subject to such rule and regulations, as may be approved by the Board of Directors.

#### 49. DISPOSAL OF NET PROFIT

Subject to the provisions of the Act and Rules framed there under, the General Body on the recommendations of the Board of Directors may appropriate the net profit in the following manner.

- i) Transfer at least 25% of net profit to the reserve fund.
- ii) Credit one percent of its net profit to the Co-operative education fund maintained by the National Co-operative Union of India.
- iii) An amount of at least 10% of the Net profit shall be transferred to the reserve fund for meeting unforeseen losses.
- iv) The balance of the net profit may be utilized for all or any of the following purpose.
  - a) Payment of dividend to members on their paid up capital at the rate not exceeding 12 %.
  - b) Contribution to the education fund at the rate of 5% or more and not exceeding 10%. The fund may be utilized for the education and training of members. Directors and employees as approved by the Board of Directors.
  - c) Donation for the development of the co-operative movement or charitable purpose as defined in section 2 of the Charitable Endowment Act 1890 not exceeding 5%.

#### 50. INVESTMENTS OF FUNDS

The Society may invest or deposit its funds in :

- a) Co-operative banks.
- b) Securities specified in section 20 of the Indian Trust Act 1882.
- c) Shares and securities of any other co-operative society/subsidiary institutions.
- d) Any other Scheduled bank/ National bank.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

## 51. RESERVE FUND

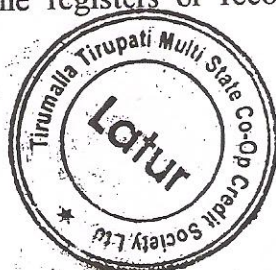
- i) In addition to the sum prescribed under the Act Rules and Bye-laws, all admissions fees, entrance fee, nominal membership fees, amount of forfeited dividend and donations if any shall be carried to the Reserve Fund.
- ii) The Reserve Fund shall be separately invested in Government and trustee securities or any other approved securities or in fixed deposits with any nationalized Bank, or any other Central Co-Operative Bank.
- iii) The Reserve Fund to meet unforeseen losses shall be available for use by resolution of the General body meeting to cover deficiencies, which may arise from unforeseen losses.
- iv) Any loss occurring as the net result of the year's working shall be recovered from the profits of the ensuing year or years.

## 52. DIVIDEND

- i) The Dividend declared shall be paid to the person whose name stands first as the registered shareholder in the books of the Society on the last day of the Co-Operative year to which the dividend relates.
- ii) Any Dividend remaining unclaimed for three years after having been declared may be forfeited by the Board of Directors and shall be carried to the Reserve fund of the Society.
- iii) Unpaid Dividend shall be payable on application provided the same has not been forfeited.
- iv) Dividend shall be proportionate to the amount paid on shares and the period in whole month for which the amount stood to the credit of the shareholder.

## 53. ACCOUNTS AND RECORDS

Accounts and records shall be maintained in forms prescribed under the Act, Rules and Bye-laws and approved by the Central Registrar with such additions as the Board of Directors consider necessary. Any member of the Society may inspect during office hours any of the registers or records in so far as it relates to his own business



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

**54. AUDIT**

- a) The Account of the Society shall be audited by an Auditor appointed from the panel of auditors approved by the Central Registrar or from a panel of auditors, if any prepared by the Society at least once in each year and the remuneration of auditors shall be fixed by the Central Registrar or the Society as the case may be, as per the provisions of the section 70 of the Act.
- b) The appointment of the auditor and his remuneration shall be approved in the General body meeting of the society. The qualifications/ disqualification, powers, rights and duties of the auditor shall be as prescribed under the Act.

**55. COMMON SEAL**

The society shall have a common seal, which will remain in the custody of the Managing Director and shall be affixed in the presence of a Director and the Managing Director as per specified resolution of the Board of Directors.

**56. AMENDMENT TO BYE-LAWS**

The amendment to the bye-laws of the society shall only be passed by a resolution of the meeting of the general body in which quorum is present by a vote of not less than two third of the members present there and not less than 15 clear days notice for the considering of such amendment has been previously given to members.

**57. EDUCATIONAL COURSE FOR MEMBER**

The Society shall organize co-operative educational programmers for its members, directors and employees and sufficient funds in the regard shall be earmarked as per the requirement.

**58. SETTLEMENT OF DISPUTE**

- i) All the dispute shall be referred to Arbitration in accordance with the provisions of the Act and Rules.
- ii) The limitation period in disputes shall be as per the provisions of the Act.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
Chief Pramoter

59. **PROVIDENT FUND**

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

60. **SERVICES RULES**

The Society shall have service rules for regulating the service conditions of its employees as formulated by the Board from time to time.

61. **WINDING UP**

If winding up is necessary, it will be done as per the provisions of the Act.

62. **ASSOCIATION OF EMPLOYEES IN THE MANAGEMENT DECISION MAKING PROCESS**

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

63. **MISCELLANEOUS**

- i) If any doubt arises in the interpretation of the bye-laws of the Society, the same shall be referred to the Central Registrar for his advice and his decision shall be final.
- ii) The matters which have not been provided for herein shall be decided in accordance with the provisions of Multi-state co-operative society Act, 2002 and Rules made there under.



Tirumalla Tirupati Multi  
State Co-Op Credit Society Ltd.  
*[Signature]*  
Chief Pramoter

