

HOUSEFED HARYANA

BYE-LAWS

OF

THE HARYANA STATE COOPERATIVE
HOUSING FEDERATION LTD.

Headquarters at Panchkula

Names, Address & Area of Operation

1. The Federation shall be called the Haryana State Cooperative Housing Federation Ltd.,
2. The registered address of the Federation shall be the Haryana State Cooperative Housing Federation Ltd., Ambala with Headquarter at Panchkula. The postal address of the Federation shall be the Haryana State Cooperative Housing Federation Ltd., Ambala at Panchkula. Any change in this address shall be made through amendment in these bye-laws and shall be notified to the Registrar within 30 days of such change and also to the general public.
3. The area of operation of the Federation shall be the whole of State of Haryana.

Defination:-

4. In these byelaws, unless there is anything repugnant in the subject or context:
 - (a) "Act" means the Haryana Cooperative Societies Act, 1984;
 - (b) "Rules" means the Haryana Cooperative Societies Rules, 1989;
 - (c) "Registrar" means a person appointed to perform the functions of the Registrar of Cooperative Societies under the Act, and includes any person appointed to assist the Registrar when exercising all or any of the powers of the Registrar;

- (d) "Government" means the Government of State of Haryana;
- (e) "Board" means the Board of Directors of the Federation;
- (f) "Bank" means the Cooperative Bank with which the Federation is affiliated;
- (g) "Trustee" means a trustee for the holders of debentures issued under these byelaws;
- (h) "General Body" means the General Body of the members of the Federation;
- (i) "Year" means a period of 12 months ending on 31st March every year;
- (j) "Federation" means the Haryana State Cooperative Housing Federation Ltd., Ambala at Panchkula;
- (k) Words and expression not defined in these byelaws but defined in the Act, or the Rules shall have the meanings assigned to them in the Act or the Rules.

The objects of the Federation shall be:

- 5** 1) To grant loans or advances to the member Cooperative Housing Societies registered and associate members in the State of Haryana, on such terms and conditions and on the security of immovable property and or such other security as may be considered necessary which include assets to be created out of the loan for:
 - a) Construction of Houses/ flats/ apartments/ shop- cum-flats;
 - b) Purchases of land for construction of houses/ flats/ apartments or payments of development cost of land already held or to be purchased;
 - c) Making repairs, additions, alterations, improvements to existing houses/ flats/ apartments;
 - d) Purchase of built up houses/ flats/ apartments;

2. To borrow or raise or secure the payment of money by the issue of debentures, debenture stock and bonds and to charge or secure the same by trust deed on the undertaking of the society or upon and specific property and rights of the society;
3. To receive deposits and borrow money otherwise than by the issue of debentures;
4. To purchase, take on lease or in exchange, hire or otherwise acquire any immovable or moveable property and any rights or privileges which the federation may think necessary or convenient with reference to any of the objects for which the federation is established or the acquisition of which may seem calculated to facilitate the realisation of any securities held by the federation or to prevent or diminish any apprehended loss or liability;
5. To manage, sell and realize all property, moveable and immovable, which may come into the possession of the federation in satisfaction or part satisfaction of any of its claims;
6. To acquire, construct, maintain and alter any building or work necessary or convenient for the purposes of the federation and its member societies;
7. To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of federation;
8. To employ experts, to investigate and examine into the title, Condition, Prospectus, Value, character and circumstances of any assets, property or rights;

9. To establish and raise funds for the benefit of employees and grant pension, allowances, gratuities etc. for the benefit of the employees according to the instruction issued by the Registrar in this behalf from time to time;
10. To negotiate/ enter into any scheme pertaining to finance the member societies with Government or any other authority or Institution and to administer the scheme provided that prior permission of the Registrar shall be obtained;
11. To undertake, as an agent of the Government, the work of financing the Housing societies and allied activities under schemes which have been or which may be sponsored by the Government;
12. To promote and assist in the organization of Cooperative Housing Societies in the State;
13. To make arrangements for periodical inspection of the affiliated Housing Societies;
14. To establish links with the Government, Cooperative Institutions, Companies and Firms to serve building materials for the affiliated Housing Societies;
15. To establish contacts with the research work in housing sector and to keep the member housing societies informed in the housing sector by these Institutions;
16. To undertake any agency or arrange bulk purchases of building materials or other goods for the benefit of the Federation to facilitate the working of its member societies;
17. To open branches and do all such other things as are incidental or conducive to the attainment of the objects of the Federation;

18. To acquire/ purchase and Develop lands and to construct building for the benefit of housing programmes and to undertake other allied activities for promoting housing activity in the State;
19. To implement the scheme(s) of National Housing Bank or any other financing institution by enrolling individuals as associate members and grant loans against the security of immovable property or such other security as may be considered necessary.

Membership

- 6** The membership of the Federation shall be open to:
- i) Any Housing Cooperative Society in the State registered under the Act;
 - ii) Government;
 - iii) Individuals as Associate members subject to the conditions to the requirement of the Act;
 - iv) Apex Cooperative Societies and National Housing Bank;
7. Application for membership which includes associate member shall be addressed to the Managing Director of the Federation and shall be disposed of by the Board of Directors of the Federation. In case the Board of Directors refuses to admit a society, it shall record its reasons for such refusal and communicate the same to the Society/ individual concerned. Any Society or individual which has been refused admission have the right of appeal to the Registrar within 60 days from the date of communication of such decision/ order. Provided, however, the membership of a associate

member shall be governed by provisions of section and terms and conditions mentioned in Bye-Laws appearing here in after;

8. Every member, on admission, shall pay Rs.100/- (Rupees one hundred) as admission fee which shall not be refundable in any case. An associate member for getting loan from the Federation, however, shall pay admission fee of Rs.20/- (Rupees twenty).

9.

- (a) The authorized Share Capital of the Housing Federation shall be Rs. 25.00 crores;

- (b) Every member shall hold atleast one share of the value of Rs.500/-. All shares shall be fully paid;

- (c) No person shall be associate member unless:

- i) his/ her written application for associate membership has been approved by the Board on the terms and conditions prescribed by it from time to time.

- ii) Every associate member on admission by the Board shall pay Rs.20/- or Rs.1/- as admission fee as the case may be;

- iii) Every associate member may make deposit with the Federation with drawable as per rules of the Federation approved by the Registrar;

- iv) Associate member may be granted loan as secured loan at the discretion of the Board on such terms and conditions as may be decided from time to time by the Board;

- v) In case of default in refunding the loan the same will be recovered as per provisions of the Haryana Cooperative Societies Act, 1984, Rules made there under and the Bye-

laws of the Federation. All subsequent additions, alternations or replacements if any shall be applicable on associate member;

- vi) An associate member shall not be entitled to any share in any form whatsoever in the assets or profit of the Federation;
 - vii) An associate member shall have no right to attend and vote in general meeting of the Federation.
10. No person shall exercise any rights or privileges of a member until his application for membership is sanctioned by the Board and he has paid all moneys due on every share held by him.

Membership of the society shall cease on:

11.

- i) Transfer of shares held by the member;
- ii) Cancellation or liquidation in case of a member who is a registered body.

A member of the Federation may be expelled for one of the following reasons:

12.

- i) Failure to pay the share money or other amount due from members of the Federation within 2 months from the date of installment fall due;
- ii) an action which may be considered by the Board of Directors to be dishonest or contrary to the interest or reputation of the Federation.

13. No member shall be expelled except by a resolution passed in a Board's meeting attended by at least two third members. The Board shall record the reasons of expelling a member and communicate them to the member concerned.

14. An appeal against the termination of membership shall lie to the Registrar within one month of the date of communication of such order and Registrar's decision shall be final.

15. No share shall be withdrawn but share may be transferred to the existing member or to a person duly qualified for membership and approved by the Executive Committee. However, the Share amount linked with the loan shall be adjusted in loan account of the member when the loan is fully paid by the member.

Liability

16. The liability of a share holder for deficit of the Federation, in the event of its being wound up, shall be limited to the twelve times of paid up share capital.

Funds

17.

The society may raise funds by:

- i) Admission fee;
- ii) issue of shares value of Rs.500/- each.
- iii) raising loans subject to the provisions of the Act and Rules, from the Govt., Cooperative Bank, Commercial Banks, Life Insurance Corporation and other financing Institutions or Corporate bodies;
- iv) deposits from members and non-members;
- v) issuing of debentures/ bonds;
- vi) accepting grant from the Government and other Institutions.

Maximum Credit Limit:

18.

- a) Maximum credit limit of the Federation shall be fixed by the General Body of the Federation with the approval of the Registrar;
- b) The Housing Federation shall not incur any liability exceeding 25 times the total amount of the paid up Share Capital plus accumulated reserves minus accumulated losses.

Debentures

19. Subject to the approval of Govt., the Federation may raise money by the issue of debentures and bonds or by mortgaging any land, buildings or other property of the Federation as the Board may deem expedient and against Govt. guarantee.

20. The debentures issued by the Federation and the interest payable thereon shall form a first charge on the general assets of the Federation.
21. The Registrar shall be trustee for the purpose of securing the fulfillment of the obligations of the Federation to the holders of debentures issued by the Federation. The powers and functions of the trustee shall be governed by the instrument of trust executed between the Federation and the trustee. Any term of the instrument may be modified with the mutual consent of the federation and the Trustee. All the property of the Federation on the security of which debentures are issued shall vest in the trustee and the holders of debentures shall have floating charge on all mortgages and amounts remaining in the hands of the Board of the trustee and on the properties of the Federation.
22. The Board may issue, on such terms and conditions as to redemption, interest or otherwise debentures of one or more denominations payable within such period not exceeding 25 years as the Board may determine.
23. The board, may at the time of issuing debentures reserve to the Federation an option to redeem before the expiration of the period fixed for redemption (but not earlier than five years after the date of issue) on giving, with the approval of the trustees not less than six month's notice of its intention to do so.

24. No debentures holder shall be entitled to the payment of the amount due on his debenture before the time fixed by the board for its payment.
25. The debenture shall be signed and executed by atleast one member of the Board and countersigned by any officer of the Federation appointed for the purpose by the Board.
26. The interest due on the debentures shall be payable on such date of dates as the Board may fix in this behalf at the time of issuing of debentures and no interest will be paid on the amount payable as interest if such amount is not drawn on the due date.
27. When a debenture becomes payable either by reason of the expiration of the period fixed for a redemption or by the reason of the notice referred to in byelaw 23, the holder shall be paid the principal due thereon together with interest upto the date on which it becomes payable.
28. The Federation shall establish a sinking fund as soon as practicable but not later than the second year from the date of issue of debentures in order to provide for the repayment and redemption of debentures and such fund a sum which shall be sufficient to repay the debentures loan on maturity.
29. The sinking fund so constituted shall be invested and may be realised and reinvested in any of the following ways, after previous approval of each such investment or reinvestment by the trustees:-

- i) Securities of the Central Government or any State Government;
- ii) In debentures issued by the Federation;
- iii) In any of the securities specified in section 20 of Indian Trust Act, 1882;
- iv) In such other securities as Government may approve in this behalf.

Provided that the recoveries made in respect of mortgage loans may be appropriated for setting apart the annual sum to be credited to the sinking fund.

Such portion of the sinking fund as may for the time being remain uninvested shall be kept in a separate account in a book to be approved by the trustee.

General Body

30.

All the members of the federation on a given date shall constitute the general body of the Federation. Each member society shall be represented in the general body meeting by a nominated representative, which shall be one of the elected Directors of the member society concerned. The Government shall be represented by three nominees. The supreme authority shall vest in the general body. It shall meet from time to time and atleast once a year. The meeting of the general body shall be called by the Board or by an officer of the Federation under the directions of the board. A special general meeting of the Federation shall be called by the Board on receipt of requisition for such meeting from 1/5th of the total members of the Federation. If on the receipt of the requisition the board fails to call the meeting

within 15 days the signatory to the requisition may refer the matter to the Registrar who may on his own motion at any time summon a general body meeting of the society. When the Registrar, calls a special general body meeting, the matter for consideration in such a meeting shall also be laid down by him. The meeting called by the Registrar shall be held in such manner and at such time and place as may be directed by him. Quorum for general body meeting shall be 1/4th of the total membership of the Federation.

31. Atleast 15 days clear notice, specifying the date, time, place and agenda of the general meeting shall be given to all members by post under certificate of posting.
32. Every member of general body except the Govt. shall have one vote.
33. All questions shall be decided by majority of votes. When the votes are equal, the Chairman of the meeting shall have a casting vote.
34. The Chairman or in his absence the Vice Chairman and in absence or both a persons elected by those present shall preside over the meetings of the general body.
35. Without prejudice to the General Body shall have the following powers and duties:
 - i) Election of the members of the Board in accordance with the rule of election framed by the Registrar from time to time;
 - ii) Consideration of the annual report, the audited statement of receipts and disbursement, balance sheet and profit and loss account;

iii) Disposal of profits;

- iv) Fixation of maximum borrowing limit of the Federation consistent with these Bye-laws subject to the approval of Registrar;
 - v) removal of the elected members of the Board.
36. No resolution of the General body removing a member of the board shall be valid unless it is carried by vote of a majority of the present at a general meeting.

Board of Directors

37. The business of the Federation shall be carried on and managed by a Board of Directors constituted as hereunder:
- i) Not more than three officials to be nominated by the state Govt. as share holder;
 - ii) Registrar or his nominee;
 - iii) Ten Directors to be elected by the member societies;
 - iv) One representative of the Life Insurance Corporation of India.
- 38.(i) No person shall be eligible for election as a member of the board of the Federation if any;
- a) is below 21 years of age; or
 - b) is paid employee of the Federation or of any cooperative society;
 - c) is convicted of any offence involving dishonesty or moral turpitude;
 - d) has applied for insolvency or is declared insolvent; or
 - e) is of unsound mind; or
 - f) is in default in the payment of the debts due for a period exceeding three months to any society; or

- g) does not represent any cooperative society.
- 38.(ii) Any person or institution can appeal to the Registrar and his decision on this issue shall be final.
39. Election to the Board shall be regulated by the rules to be framed by the Registrar from time to time.
40. The Chairman and Vice Chairman of the Board shall be elected by the members of the Board, out of themselves. Their terms of office shall be determined with the term of the Board.
41. An elected member of the board shall cease to hold office if;
- a) Applies for bankruptcy; or
 - b) is convicted of any offence involving dishonesty or moral turpitude; or
 - c) becomes of unsound mind; or
 - d) becomes a paid employee of the Federation or of any cooperative society; or
 - e) defaults in the payment of debts due to the Federation or to the society to which he represents;
 - f) resigns and his resignation is accepted by the board; or
 - g) acquires an interest directly or indirectly in any contract with the Federation or in any sale or purchase made by the Federation;
 - h) is a representative of the society under winding up process orders; or
 - i) ceases to be share holder of the society he represents; or
 - j) is a representative of the cooperative society which may cease to be the member of the Federation;

- k) Any member who ceases to be a member of the board, under clause 41 (e) & (i) of this byelaws shall not be eligible for re- election as member of the Board for a period of six months, provided that the Registrar, Cooperative Societies, Haryana shall have the right of superseding the Board of Directors or of removing one or more Directors and of appointing new Board of Directors or one or more directors in the place of these so removed, as the case may be, for a period which may extend at one time upto 3 years, if in the opinion of the Registrar there exists an emergency in the affairs of the Federation or the Registrar, Cooperative Societies, Haryana is satisfied that the society is not following canons of prudent finance.
42. The board shall meet from time to time, atleast 15 days notice specifying the date, place, time and agenda of the meeting of the Board shall be given to all themselves. 1/3rd of the total number of the members of Board shall form quorum of the meeting. The Chairman, or in his absence Vice Chairman and in the absence of both, a member elected by those present in the meeting shall preside over the meetings of the Board. All question shall be decided by majority of the votes. In case of equality of votes, the chairman shall have a casting vote.
43. Notwithstanding anything contained in byelaw No.37, the first Board of Directors shall be nominated by the Registrar, Cooperative Societies for a period of three years including the Chairman who shall call the first meeting. The Registrar,

Cooperative Societies, may extend the period of nominated Board for a period not exceeding two years, or till the new Board is elected as provided in byelaws No.37 whichever is earlier.

POWERS OF THE BOARD

44. Without prejudice to the general powers conferred by these byelaws the following powers and authorities are expressly given to an conferred upon the Board;
- a) To pay the preliminary expenses incurred in the promotion and registration of the Federation;
 - b) To purchase, take on lease or otherwise acquire any building or land (whether freehold, leasehold or otherwise) from any person with or without a house or houses building or buildings thereon in the state and to erect, construct and build offices or alter any building or buildings for the purposes of an office or as and to pay for such land and buildings whether purchased, leased or acquired or build or constructed by the Federation either in cash or otherwise and to purchase furniture, and other things necessary for office with all things which the board may deem necessary or convenient for carrying on the business of the Federation;
 - c) From time to time, to appoint or remove or suspend Manager and Officers for permanent, temporary or special service and to determine their powers and duties and fix their remuneration, and to acquire security in such instances and to such amount as they think fit provided that the creation of and the appointment of the post of Manager, irrespective of the remuneration in excess of Rs.500/- per month shall be

with the prior concurrence of the Registrar, Cooperative Societies;

- d) To raise or borrow such sums of money by way of loans (otherwise than by the issue of debentures and or bonds) as may be required from time to time for the purposes of the Federation subject to the previous sanction of the Registrar, Cooperative Societies;
- e) To undertake on behalf of the Federation the payment of all rents and performance of all convenient, conditions and agreements contained in or reserved any lease that may be granted or assigned to or otherwise acquired by the Federation.
- f) To admit members;
- g) To ensure and keep ensured if deemed expedient all or any of the buildings or other property or any securities of the Federation either separately or conjointly for such period and to such extent as the Board may think fit and to assign, surrender or discontinue any policies of insurances effected in pursuance of these powers;
- h) To make advances or lend moneys to Cooperative Housing Societies;
- i) To appointment Sub-Committee or special committees of three Directors at least, to consider any specific problems or subjects and make recommendations to the Board for decision;
- j) To establish and maintain provident or other benefit funds forthe employees of the Federation;

- k) To delegate any or their powers to the Executive Committee or committees consisting of such members of their body as the Board may think fit;
- l) To execute all deeds, agreements, receipts and other documents that may be necessary or expedient for the purpose of the Federation;
- m) To determine from time to time who shall be entitled to sign, on behalf of the Federation, bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents and to give the necessary authority for that purpose;
- n) To accept from any member or such terms and conditions as shall be agreed a surrender of his shares or any part thereof;
- o) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Federation or its officers or otherwise concerning the business and affairs of the Federation and also to compound and allow time for payment or satisfaction of any debts due and or any claims or demands by on against the Federation;
- p) To invest and deal with any moneys of the Federation in accordance with these byelaws and from time to time to vary or realize such investments;
- q) To regulate and sanction the expenditure which the Board may consider necessary or desirable to carry out the objects of the Federation;
- r) To join membership of any cooperative institution which in the opinion of the board may be desirable or necessary in the interest of the Federation;

- s) To engage the services of advocates, attorneys, architect valuers, and (of other professional persons for the conduct of the business and affairs of the Federation), and/ to pay them fees, professional charges or honorarium.
45. The Board shall have power to provide a common seal for the purposes of the Federation and it shall not be used except by the specific authority of the Board and in the presence of at least one of the members of the board. This seal remain in the custody of the Managing Director.
46. Every deed or document other than a share certificate to which the seal is affixed shall be signed by two of the members of the board and countersigned by the Managing Director or any other person or person appointed for the purpose by the Board.
47. The Board may make its own rules of business for the smooth running of the Federation, with the approval of Registrar, Cooperative Societies.

Executive Committee

48. The Board of Directors shall, each year appoint an Executive Committee consisting of five Directors and may delegate to it any of their powers specified in byelaws no.44. The Chairman of the Board shall be the Ex-officio member and chairman of Executive Committee and one of the four other members shall be the Registrar, Cooperative Societies or a Director nominated by the Govt. The Board may invite an expert to assist the Executive Committee. Any vacancy occurring in the Executive Committee shall be filled by the Board.

49. The Executive Committee shall meet as often as may be necessary, but atleast once a month. It may not however, meet in the month in which the Board's meeting has been held. Three Director's presence shall form a quorum.

Managing Director

50. There shall be a Managing Director to be appointed by the Govt.

51. The Managing Director shall have following powers and duties:

- i) To maintain correctly and up-to-date the prescribed papers and registers;
- ii) To appoint class III and IV employees subject to the qualifications and conditions of service laid down by the Registrar from time to time;
- iii) To prepare all receipts, vouchers and documents required by the rules or by the byelaws or called for by the Board of Directors;
- iv) To sign on behalf of the Federation and to conduct its correspondence;
- v) To summon and attend meetings of general body and of Board of Directors;
- vi) To record proceedings of such meeting and have them duly signed;
- vii) To prepare the annual statements and submit them to the Registrar within the period prescribed;
- viii) To control the staff under him;

- ix) To incur contingent expenditure within limits fixed by of Directors;
- x) To certify copies of entries in the books under the Cooperative Societies Act;
- xi) To procure for the borrowers the due execution of the bonds or receipts for the loans advances;
- xii) Generally to conduct the correct business of the Federation and perform all duties entrusted to him by the Board of Directors,
- xiii) Till the Managing Director is appointed, the above duties may be performed by any other officer as may be authorized by the Board;
- xiv) To take necessary legal action for recovery of loan.

Loans

52. The funds of the Federation shall be utilized primarily for the purpose of granting loan or advances by Cooperative Housing Societies registered in the State and associate members who are members of the Federation on the security of immovable property or such other security as the Board may determine and on such terms and condition which may from time to time be determined in accordance with the Bye Laws. The Federation shall grant loans and advances to the Cooperative Housing Societies and also to associate members for acquiring dwelling houses by their members or for granting loans to their members for the purpose of Constructing their dwelling houses or flats. The Federation may also utilize its funds for the purpose of acquiring land to

construct building and developing lands for Housing programmes.

53. The application of a member for a loan from the Federation shall be in the form prescribed by the Board and the Federation shall be competent to make such further inquiries with regard to the security offered by the applicant and the repaying capacity of the member and such other matters as the Board may determine from time to time.
54. Every loan which shall be advanced by the Federation to the member shall be made repayable at end of a period which shall not exceed 20 years from the date of advancement of loan provided that the Federation shall be at liberty to renew any such loan at the expiration of the original term, for such other period as the Federation shall think fit but such renewed period shall not exceed five years in any case.
55. The rate of interest to be charged by the Federation on each loan advanced to any Cooperative Housing Society may be fixed by the Board from time to time, with the prior approval of the Registrar, Cooperative Societies.
56. If the Federation after meeting expenses and requirements of Reserve fund and sinking fund, if any, declares dividend at the rate of 4 per percent per annum or more on its paid up capital one half of the excess profits available after providing for such dividend and payment of contribution to the education fund of the State Cooperative Dev. Federation under the Act & Rules, shall be utilized in paying rebate to the Cooperative Housing Societies to whom advances have been made by the Federation in respect of the interest paid

by them but the rate of interest payable by such societies during such period shall not be reduced below one and half percent over the Reserve Bank rate. Such rebate on interest shall be given in respect of that year in which the Federation declare dividend at the rate of 4 percent per annum or more.

57. The amount of each loan to be advanced by the Federation to a cooperative housing society may be determined by the board in its discretion provided however that no such loan or advance shall be paid to the applicant society unless the applicant society holds shares or debentures of the Federation for the amount which is not less than 2% of the amount of loan to be paid in any one case.
58. The Federation may impose such conditions as it may think necessary are expedient for protecting the interests of the society and securing that the accommodation granted by it, is put the proper use by borrowing society.
59. If for any reason, the Federation is of the opinion that the security originally furnished for the loan borrowed from it has become inadequate or is about to become inadequate, it shall be competent for the Federation to call upon the debtor society to furnish additional security to its satisfaction within a specified period. Failure to comply with the notice shall entitle the Federation to recall the loan at once notwithstanding the original terms on which the loan was advanced.
60. The Federation shall be competent to inspect the records of the debtor society and its property or make such other

enquiries regarding the financial position of the debtor society as it may deem necessary.

61. The Board may suspend the payment of installment of principal in case of distress or unforeseen calamity when after enquiries it is satisfied that such suspension is necessary. When any installment of loan is suspended all subsequent instalment may be deferred for the same period for which the instalment is suspended.
62. Notwithstanding anything in any agreement to the contrary, the Board may by notice in writing require any Cooperative Housing Society to which it has granted any loan or advance to discharge forthwith in full its liabilities to the Federation:
 - i) If it appears to the Board that false or misleading information in any material particular was given by the cooperative Housing Society in its application for the loan or advances: or
 - ii) If the cooperative Housing Society has failed to comply with the terms of its contract and /or agreement with the Federation in the matter of the loan or advance; or
 - iii) If there is a reasonable apprehension that the cooperative Housing Society is unable to pay its debts or that proceedings for liquidation may be commenced in respect thereof; or
 - iv) If the property pledged, mortgaged, or assigned to the society as security for the loan is not insured, it may be got insured by the Cooperative Housing Society to the satisfaction of the Federation; or

- v) If for any reason it is necessary to protect the interest of the Federation; or
- vi) If it appears to the Board that the loan granted to specific purpose is misapplied.
- vii) Representative of Housing Apex in the Management of member society.

Distribution of profits

63. Subject to the approval of the Registrar the net profits of the Federation as per audited balance sheet shall be distributed as follows:

- i) 25% shall be carried to the reserve fund;
- ii) Such proportion not exceeding 5% but not less than 2% of the net profits, as may be specified by the Registrar, shall be carried to the Cooperative Education fund;
- iii) 5% as contribution to any charitable purpose as defined in section 2 of the charitable endowment Act, 1890:
- iv) Distribution as dividend among members at a rate not exceeding 10% per annum of the value of shares actually paid up;
- v) Creation of building fund or any other fund with the prior approval of the Registrar;
- vi) Any surplus may be credited to the reserve fund or carried to the profits for the next year.

Miscellaneous

64 The Chairman and or more members of the Board, as may be authorised by the Board, shall have the power to execute jointly or severally documents, grant receipts,

make transactions with the Bank and sign cash book on behalf of the Federation.

65. Accounts and record of the Federation shall be maintained in the form prescribed by the Registrar from time to time.
66. Any member of the Federation may inspect any of the registers or records during office hours so far as it relates to his own business transactions. For this the Board shall decide the office hours of the Federation.
67. Before 31st March every year, the Board shall prepare statement showing the receipts and expenditure, trading and profit and loss account, balance sheet and report of the previous year. A copy of these statements shall be supplied to the Government, Auditor and the Registrar before the 15th August.
68. Subject to the provisions of the Act, no amendment to these byelaws shall be carried out save in accordance with resolution passed at a general body meeting of which due notice of the intention to discuss the amendments has been given.

Provided that no such resolution shall be valid unless it is passed by the majority of members present at the general body meeting at which not less than two- third of the members for the time being of the society represent:

Provided further that model byelaws or amendments previously approved by the Registrar may be adopted by a simple majority at a general body meeting with an ordinary quorum.

69. The Federation shall pay such audit fee as may be assessed from time to time by the authority competent to do so.
70. The services of the members of the board shall be honorary but they may be paid traveling and daily allowance on a scale proposed by the board and approved by the Registrar.
71. If the Federation is indebted to the bank, it shall be competent for the representative of the later to inspect the books and record of the Federation and the general meeting of the Federation shall arrange the production of the books and record before such representatives.
72. If any dispute, other than a dispute regarding disciplinary action taken by the Federation or its board against a paid servant of the Federation, touching the constitution or business or management of the Federation, arises between the member and past member of the Federation or other persons referred to in the relevant provisions of the act and rules, it shall be disposed of in the manner provided in the Act and Rules.
73. Should any doubt arise with regard to the interpretation of any of the byelaws, the matter shall be referred to Registrar, whose decision shall be final.
74. The Federation may in the circumstances, specified by the relevant provisions of the Act, be wound up and cancelled by the Registrar in accordance with the procedure laid down by the Act and the rules.