I NAME AND REGISTERED OFFICE OF SOCIETY;

The name of the Society shall be “State Bank of Hyderabad Employees’ Co-operative Credit Society Ltd., which shall be referred to herein after as “Society “.

The Registered office of the Society shall be located in State Bank of Hyderabad, Head Office Buildings, Gunfoundry Hyderabad - 500 177. Any change in address or the change of the nomenclature of the Society’s name shall be notified to the Central Registrar within 15 days and also published in local news papers and shall be made by an amendment of its Bye-laws after following the procedures laid down in Section 11 and Rule 8(2) of the Multi State Co-operative Societies Act, 2002 and Rules, made there under.

The Society is body corporate which sue and be sued in its name.

1A AREA OF OPERATION:

The area of operation of the Society shall extend to the states of Andhra Pradesh, Maharashtra, Karnataka, Tamilnadu, Delhi and West Bengal and to all the employees working in the branches and offices of State Bank of Hyderabad.

The Society shall have a Common Seal. The Common Seal shall be kept in the safe custody of the office bearer authorised by the Managing Committee and shall be used on the authority of a resolution of the Managing Committee constituted under the bye-laws of the Society.

The Society is body corporate which sue and be sued in its name.

1B DEFINITIONS:

In these Bye-laws unless there is any thing repugnant to the subject or context:

a.) The word “Act” and the word “Rules” used in these Bye-laws means the Multi-State Co-operative Societies Act, 2002 as amended from time to time and the Rules made there under respectively.

b.) “Central Registrar” means the Central Registrar of Co-operative Societies appointed under the Sub-Section (1) of Section 4 of the Multi State Co-operative Societies Act and includes any officer empowered to exercise the powers of the Central Registrar under Sub-Section (2) of that Section.

c.) “Bye-Laws” means the Bye-laws of the State Bank of Hyderabad Employees’ Co-operative Credit Society Ltd., which have been duly registered or deemed to have been registered under the Multi State Co-operative Societies Act and includes amendments thereto which have been duly registered or deemed to have been registered under the Act.

d) “Area of Operation” means the area from which the persons are admitted as members.

e.) “Member” means the persons admitted as members of the Society in accordance with the provisions of Multi State Co-operative Societies Act, Rules and Bye-laws.

f.) “Associate Member” means a person who has been admitted as an associate member under the Bye-laws of the Society.
g.) “General Meeting” means a meeting of the General Body of the Society including Special General Meeting.

h.) “Defaulter” means a member who has defaulted in payment of any kind of dues payable to the Society.

i.) “Co-operative Year” means the period from 1st April, to 31st March.

j.) “Cooperative Principles” means the cooperative principles as specified in the first Schedule of the Multi State Co-operative Societies Act,2002.

k) “Officer” means a President, Vice-President, Chairman, Managing Director, Secretary, Manager, Member of a Managing Committee, Treasurer, Liquidator, an Administrator appointed under Section 123 and includes any other person empowered under this Act or the Rules or the Bye-laws to give directions in regard to the business of the “Society”.

l) “Multi State Co-operative Society” means a cooperative society registered or deemed to be registered under the Multi State Co-operative Societies Act,2002.

m) “Reserve Bank” means the Reserve Bank of India constituted under the RBI Act 1934 –( 2 of 1934);

n) ‘Deposit Insurance Corporation’ means the Deposit Insurance & Credit Guarantee Corporation established under Sec. 3 of the Deposit Insurance Corporation Act 1961;

o) “Cooperative Society” means a cooperative society registered or deemed to be registered under any law relating to cooperative societies for the time being in-force in any State or Union Territory;


q) “Prescribed” means prescribed by Rules.

r) “Managing Committee” means the Members of the Managing Committee of the Society.

s) “General Body”, means all the members of the Society and in relation to a National Cooperative Society or a Federal Cooperative, means all the delegates of member Cooperative Societies or delegates of Multi State Cooperative Society and includes a body constituted under the provisions of the Act.

t) “Chief Executive” means a person, by whatever name he may be called, of the Society….

u) “Cooperative Bank” means a Multi State Cooperative Society which undertakes banking business.

v) “Federal Cooperative” means a federation of cooperative societies registered under this Act and whose membership is available only to a cooperative society or a Multi State Cooperative Society.

X) “Section” means Section of the Multi State Cooperative Society Act 2002 as amended from time to time.

2 AIM / OBJECTS OF THE SOCIETY:

The Aims and Objects of the Society shall be :-

a) To borrow funds from members or others to be utilized for loans to members for useful purpose.

b) Generally to encourage thrift, self help and cooperation among the members staff / employees.

c) To mobilise savings and help its members in obtaining their credit requirements and to prepare and finance schemes for amelioration of the financial conditions of members.

d) To introduce and expand educational facilities and also conduct job-oriented courses for the welfare of the employees children (State Bank of Hyderabad) for gainful and wage employment with the approval of the competent authorities.

e) To evolve, promote, manage and run any scheme or schemes for providing retirement benefits/ medical relief for the retiring members (Associate Members) from service.

f) To undertake such other activities as may promote the economic interest of members and are incidental, conducive to promotion or advancement of the above objects.

g) To promote the interest of all its members to attain their social and economic betterment through self- help and mutual aid in accordance with the cooperative principles.

3 MEMBERSHIP: PERSONS ELIGIBLE:

3-A i) Membership of the Society shall be open to all permanent employees including permanent part time employees on scale wage employed with the State Bank of Hyderabad, subject to their being approved as members in the manner herein after described.

ii) Every person eligible for membership and who is desirous of becoming a member shall send an application in the prescribed form stating the number of shares he wishes to subscribe for, to the Secretary, who shall place the same in the Managing Committee for taking a decision on the admission. From the date of such admission the applicant shall acquire all the rights, obligations, responsibilities of a member of the Society as laid down in the Bye-laws as amended from time to time.

iii) Any confirmed employee with State Bank of Hyderabad who genuinely need the services provided by the society and whose interest does not conflict with the interest of the society shall be eligible for membership.
iv) All the existing members who are working in the branches and offices of State Bank of Hyderabad other than the area of operation, shall continue to avail the services provided by the Society.

v) An individual, competent to contract under section 11 of the Indian Contract Act, 1872 alone is eligible for membership.

vi) No right of membership shall be exercisable until a person has made such payments to the society in respect of membership or acquired such interest in the society as may be prescribed by the society in its Bye-laws as per the provisions of the Act and rules.

vii) Every member shall pay an admission fee as specified in the bye-laws of the society.

3-B **Associate Members** : Being members who have retired from service after completing the age of Superannuation i.e., 60 years of age, with a minimum of 15 years membership OR retiring on voluntary grounds after completing a minimum of 25 years of membership in the Society who are beneficiaries under the Superannuation Scheme and Medical Assistance Reimbursement Scheme of the Society, subject to their being approved as members in the manner herein after described.

i) Every member who had opted for and who has been admitted to the Societies Superannuation Scheme upon retirement from service, shall be admitted as a Associate Member of the Society upon payment of Rs.15/- towards admission fee and shall be entitled to only such benefits as may be provided in the Superannuation Scheme and Medical Assistance Reimbursement Scheme and shall not be entitled to any share in any form whatsoever in the profits and assets of the Society.

ii) They will not be allowed to have any interest in the management of the society including right to vote, contest election as member of the Managing Committee or participate in the general body meetings of the society.

4 **APPLICATION FOR MEMBERSHIP**:

4-A Applications for membership shall be submitted in the prescribed form along with fee and at least one fully paid up Share, made to the Secretary, who will place the same before the Managing Committee. The Managing Committee will by majority vote decide the membership.

4-B The Managing Committee shall dispose off all applications for admissions of a member found complete in all respects, within a period of 4 months from the date of receipt of the application by the Society. The same shall be communicated to the applicant within 15 days of the decision by Registered Post. Provided that if the application is not disposed off within the period afore-said, or the decision is not communicated within a period of 15 days of the expiry of the afore-said period of 4 months, the Society shall be deemed to have made a decision on the date of expiry of such period, refusing admission to the applicant.

5 **ENTRANCE FEE AND SUBSCRIPTION**:

5-A A member on admission shall be required to pay an entrance fee of Rs.10/- only and subscribe regularly Rs.50/- p.m. towards share capital to the extent of a minimum of Rs.4,500/-. 

As amended 29-09-2015
The application for membership shall be made in the prescribed form and will accompany the remittance of Rs. 340/- as under. The maximum share holding will be restricted to 75 shares of Rs. 150/- each for all members, subject to the condition that no member shall hold more than 1/5th share capital of the Society or Rs. 11,250/- whichever is less.

For all members including Sub-staff:

- Admission Fee: Rs. 10.00
- MBF/MARF(MBF220 + MARF 60): Rs 280.00
- Share: Rs. 50.00
- Rs. 340.00

5-B READMISSION:

The Managing Committee is empowered to consider readmission of the member on payment of entrance fee of Rs.15/- and refund of the entire Share Capital / Mutual Benefit Fund / Members Retirement Fund withdrawn by him/her together with the arrears of instalments along with interest till the date of readmission in full or in instalments as decided by the Managing Committee.

6 REGISTER OF MEMBERS:

Every member duly admitted shall sign his name or affix his thumb impression in a register containing the list of names; descriptions and addresses of members of the Society and shall thereupon be deemed subject to the provision of Bye-law No.9 to have acquired all the rights; obligations; responsibilities and liabilities of a member of the Society as laid down in the Bye-laws.

6-A RIGHTS OF MEMBER:

Every member of the society shall have the following rights :-

a) A member shall be entitled to exercise his right to vote as a member in the general body meetings of the society and no member shall be permitted to vote by proxy;

b) Right to receive notice of general body meetings as per bye-laws of the society;

c) Take part in elections and contest for any post as per provision of the Act, Rules and bye-laws of the society;

d) Inspect member registers, books of accounts or any other record and obtain certified copies of the resolutions or documents on a payment of fee as may be prescribed by the society from time to time.

7 Disqualifications of membership :

No person shall be eligible for being or continuing as a member of the society if :-

a) His /Her business is in conflict or competitive with the business of the society; or

b) He /She did not attend the three consecutive general meetings and such absence was not condoned by the 2/3rd majority of the members attending the meeting; or
c) He /She defaulted in payment of all dues including contributions, subscriptions, if any, as decided by the Managing Committee of the society from time to time. However, the member will be given a 30 days notice period to repay the dues, before debarring him/her, from exercising his/her right to vote.

d) He /She did not make annual transactions of the value of at least 2,400/- for continuously Two years.

e) He /She has not availed for two consecutive years any of the services from the Society.

8 CESSATION OF MEMBERSHIP:

Membership shall cease in the following cases:

i) Dismissal from Service;

ii) Expulsion from Society by the General Body.

iii) Resignation from Service;

iv) Resignation from the Society (if accepted by the Managing Committee)

v) Insanity;

vi) Bankruptcy;

vii) Retirement on approved service except where he/she shall be an associate member upon retirement as prescribed under Bye-law No. 3(b) above

viii) Incurring any of the disqualifications of membership.

ix) Death

In these cases the accounts will be adjusted as decided by the Managing Committee.

9 EXPULSION OF MEMBERSHIP:

i) The Society may, by resolution passed by a majority of not less than two thirds of the members present and voting at a General Meeting of members held for the purpose, expel a member for acts which are detrimental to the proper functioning of the Society and any activity of a member is found to be conflicting or competitive with the interest or activity of the Society

ii) On expulsion from the Society, in accordance with the provisions of Act and 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

iii) No member of the Society who has been expelled shall be eligible for re-admission as a member for a period of one year from the date of such expulsion.

iv) All the expelled members who are debarred from participating in the profits or any of the benefits of the Society: shall have a right to receive within one year the paid up value of the shares without dividend or interest after deduction of any sum due from them to the Society and
also they shall have no claim on the reserve or any other assets of the Society.

**10 WITHDRAWAL FROM MEMBERSHIP:**

i) Any member of the society may withdraw from membership of the society only after **Two** years by giving at least a three months notice and duly approved by the Managing Committee of the society. The approval shall not be given when such a member is indebted to the Society.

ii) A member who withdraws and resigns from the membership will not allowed to become a member again for a period of one year from the date of his/her resignation unless, he/she repays the amount withdrawn from the Society along with interest.

iii) Members ceasing their connection with the Society before the close of the first half of the working year will not be entitled to any interest / dividend for that year.

**11. SHARES CERTIFICATE:**

Every member shall on payment of Rs. Ten be entitled to a certificate under the common seal of the Society specifying the share or shares held by him and the amount paid thereon. Such a certificate shall be issued only when the full value of the share or shares has been paid up.

**12. RENEWAL OF SHARE CERTIFICATE:**

If a share certificate is worn out or defaced, mutilated, destroyed or lost it may be renewed on payment of Rs. Fifteen being the renewal fee and new share certificate/s may be issued in lieu thereof, upon such terms and conditions on the Managing Committee may think fit.

**13-A SETTLEMENT IN THE CASE OF DEATH:**

On the death of a member his nominee or his legal heir shall have a right to receive within 6 months the value i.e., the paid up value of his share or shares plus dividends not drawn after deduction of any sum due from him to the Society, both as a principal debtor or as surety. In the absence of nomination, the Society may pay the sums due to their legal heir on their executing an appropriate deed of indemnity in favour of the Society.

**13-B NOMINATION:**

Every member of the Society may nominate any person on his/her behalf to receive in the event of his/her death all the monies due to him/her from the Society. Providing the nomination is registered in the books of the Society and nomination form to be signed in the presence of two witnesses.

**13-C TRANSFER OF SHARES:**

A member may transfer his share or shares after holding them for not less than two years. The Managing Committee may approve such transfer of shares from the existing members on completion of such terms and conditions as may be fixed by the Managing Committee. The transfer is not complete until the name of the transferee has been duly entered, in the register of members, and the transfer fee per share fixed / decided by the Managing Committee, has been paid to the transferee.
13-D 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 moneys due from him to the society from time to time. The society may at any time set off any sum credited by or payable to the member or past member towards payment of any liability of such member as past-member.

14 LIABILITIES:

i) The liability of a member for the common debts of the Society is limited to the value of the shares capital subscribed by them.

ii) The liability of every member would continue for a period of two years from the date of ceasing to be a member of the Society. Similarly, the estate of a deceased member shall remain liable for the debts of the Society for a period of Two years from the date of his demise.

15 FUNDS AND CAPITAL:

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

a) Share Capital from members

b) Deposits from members.

c) Loans from the Central or State Government.

d) Admission Fee.

e) Loans from Hyderabad Dist. Co-operative Central Bank Ltd., or any scheduled banks or any financing agency.

f) Subsidies, grants, contributions, donations, reserve fund and other funds.

g) The Capital of the Society shall consist of shares by means of Rs.150/- each; limited for the time being to 10,00,000 shares but with powers to increase the number of shares hereafter subject to the approval of the Central Registrar of Co-operative Societies.

16 RIGHT TO ALLOT SHARES:

All debtor members are required to continue to subscribe towards share capital to the extent of maximum permissible shares subject to a minimum of Rs.50/- every month.

Payment of Interest / Dividend to member on their paid up capital at a rate not exceeding the rate recommended by the Managing Committee and as prescribed in the Multi State Co-operative Societies Act and Rules .

17 DEPOSITS:

Fixed deposits or any other type of deposits may be received at rates of interest fixed from time to time by the Managing Committee from members only.

However, after fulfilling the conditions laid down in Bye-law No 7 and 11 every member
should contribute Rs.220/- p.m. and such contributions shall be kept in a separate deposit account, in each member’s account known as “Members Retirement Fund” until he/she ceases to be a member. Interest shall be allowed on such deposits @ 7% p.a. which shall be calculated and credited to a separate account known as “Members Retirement Fund Accumulated Interest A/c” at half yearly rests.

18 BANKERS & OPERATION OF ACCOUNTS:

The funds of the Society shall be deposited in the State Bank of Hyderabad or with the Andhra Pradesh State Co-operative Bank Ltd., The accounts will be operated upon by any two of the President, Secretary, and Treasurer jointly provided that in cases of emergency any of these office bearers may delegate their powers to operate on the account to any other Managing Committee member.

However, such amounts as may be required to safeguard the economic interest of the members and in order to meet the commitment / requirement obligation of the Society to its members, as may arise from time to time, shall be kept in fixed deposits with State Bank of Hyderabad, for such tenures as may be deemed fit and necessary.

19 BORROWINGS:

The Society may with the permission of the Central Registrar of the Co-operative Societies borrow from the State Bank of Hyderabad or Co-operative Central Bank or any other Registered Society by way of loans to the extent prescribed by the Registrar of Co-operative Societies from time to time.

a) The total borrowing in the shape of loans and deposits of the Society shall in no way exceed ten (10) times the paid up share capital plus the reserve fund and accumulated reserves.

20 GENERAL BODY:

The ultimate authority in all matters relating to the administration of the Society shall vest in the General Body. The meeting shall be convened by the Managing Committee at least once in a year to conduct the business of the Society. The General Body shall not however interfere with the powers of the Managing Committee in respect of matters delegated to it in the Bye-laws.

The President of the Society will preside at its meeting. In his absence the Vice-President and in the absence of both any other member elected as Chairman of the meeting shall preside.

21 POWERS AND FUNCTIONS OF THE GENERAL BODY:

The following among other shall be dealt with by the General Body.

i) The General Body of the Society shall consist of all the Members of the Bank.

ii) Subject to the provisions of the Act, the Rules, the Bye-laws of the Society the ultimate authority of the Society shall vest in the General Body of its members.

iii) The Managing Committee of the Society under a resolution shall within six months after the close of the corresponding year call the Annual General Meeting at the principle place of
business for the purpose of:

a.) Consideration of the Audited Statements of Accounts.
b.) Consideration of the Audit Report and Annual Report.
c.) Consideration of Audit Compliance report.
d.) Disposal of Net-Profits.
e.) Review of operational deficit, if any,
f.) Creation of specific reserves and other funds.
g.) Approval of the Annual Budget.
h.) Review of actual utilisation of reserves and other funds.
i.) Approval of the Long term perspective plan and the annual operational plan.
j.) Expulsion of Members.
k.) List of employees who are relatives of members of the Managing Committee or of the Chief Executive.
l.) Amendment of Bye-laws, if any.
m.) Formulation of code of conduct for the Members of the Managing Committee and Officers.

22 VOTING RIGHT:

a) All the matters before the General Body or extraordinary General Body shall be decided by a majority vote.

b) Each member except the Associate member shall be entitled to have only one vote irrespective of the number of shares held by him, when the votes are equal the presiding member shall have a casting vote. No voting by proxy shall be allowed. Associate Members shall not have any voting rights and shall not have any post. Also he cannot stand as surety to any member.

23. GENERAL BODY MEETINGS AND PROCEDURE:

General Body meeting shall be of two kinds i.e., Ordinary and Special General Body meetings. The ordinary General Body meeting shall be held within six months from the close of the corresponding year.

24. SPECIAL GENERAL BODY MEETING:

The Managing Committee whenever they think fit may call for a Special General Body meeting or upon the requisition in writing signed by 1/5th of the members on the rolls or at the instance of the Central Registrar.

The Managing Committee may call a Special General Body meeting within one month after
25. REQUISITION FOR SPECIAL GENERAL BODY MEETING:

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

The Requisition for Special General Body meetings must be addressed to the Secretary, in writing, so as to reach him at least 14 days before the date to be fixed for the meeting, in order to allow time for circulation and consideration prior to the meeting.

26 RESOLUTIONS OF GENERAL BODY:-

The resolutions of General Body shall be carried by a majority of votes. Votes shall be taken by show of hands.

27 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 President and Secretary of the Society. The minutes so signed, shall be an evidence of the correct proceedings of that meeting.

28 NOTICE FOR ANNUAL GENERAL BODY MEETINGS:

Notices of ordinary General Body Meeting shall be sent to all the members of the Society at least 15 days before the holding of such meetings.

The non-receipt of such notice to a member shall not nullify the proceedings of the meetings. Such notices shall be sent through Branch Managers in case of member working in the branches and by circulation at Head Office and Gunfoundry Branch or by any other means as prescribed by the Registrar from time to time.

29 NOTICE FOR SPECIAL GENERAL BODY MEETINGS:

The notice of the Special General Body Meeting shall contain the date, place, time and the agenda shall be sent at least 7 days before the date fixed for such meetings.

The non-receipt of such notice to a member shall not nullify the proceedings of the meetings. Such notices shall be sent through Branch Managers in case of member working in the branches and by circulation at Head Office and Gunfoundry Branch or by any other means as prescribed by the Registrar from time to time.

30 QUORUM FOR GENERAL BODY MEETINGS:

a) The quorum for Annual or Special General Body meeting shall be one fifth of the total number of members or 200 members, which ever is less.

b) No business shall be transacted at any General Body meeting, unless there is a quorum at the time when the business of the meeting is due to commence.

c) If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting shall stand adjourned, provided that a meeting, which has been called on
requisition of the members, shall not be adjourned but dissolved.

d) If at any time during the meeting, sufficient number of members are not present to form
the quorum, 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. The business that
remains to be transacted at the meeting, if any, shall be disposed off in the usual
manner at the adjourned meeting.

e) Where a meeting is adjourned, the adjourned meeting shall be held either on the same
day or on such date, time and place as may be decided by the Chair person or the
person presiding over the meeting, but within seven days from the date of adjourned
meeting.

f) No business shall be transacted at any adjourned meeting, other than the business on
the agenda of the adjourned meeting.

g) No quorum shall be necessary in respect of an adjourned General Body meeting.

h) All decisions in the General Body meeting shall be taken by majority of members present
either by show of hands or by secret ballot as may be decided by a majority of the
members present.

31 PROCEDURE FOR CONDUCT OF ELECTION TO THE MANAGING COMMITTEE OF S
B H EMPLOYEES’ CO-OPERATIVE CREDIT SOCIETY LTD., (as per Schedule (1) of
Multi State Co-operative Societies Rules 2002). IS APPLICABLE

32 CONSTITUTION OF MANAGING COMMITTEE:

32-A The Executive Management of the affairs of the Society shall vest in the Managing
Committee.

The Managing Committee shall consist of 13 members elected by the General Body in
accordance with the procedure prescribed in the election schedule annexed with the Multi State
Co-operative Society Act, 2002. The term of the Managing Committee shall be for a period of
FIVE years from the date of Election, provided that elected member shall continue to hold office
till their successors are elected or nominated under the provision of the Act, or the Rules and
assume charge of their office. The conduct of election to the Managing Committee shall be the
responsibility of the existing committee. If the committee fails to conduct election to the
Managing Committee, the Central Registrar shall hold the election within a period of (90) days
from the date, when such election become due.

The Managing Committee shall elect the President, Vice President, Secretary, Assistant
Secretary and Treasurer among themselves. The term of these Office bearers shall be co-
terminus with the term of the elected Managing Committee, unless they ceases to be member of
the Managing Committee earlier. Any casual or interim vacancies of committee shall be filled
up by co-option by the remaining members of the committee. Such co-opted members shall
also vacate office on the same day on which the term of office of the committee expires. The
proceedings of the Managing Committee shall not be invalidated on account of any vacancy or
vacancies on the committee. Any member may at any time resign from his office by sending a
letter of resignation to the Secretary of the Society. But such resignation shall take effect only
from the date on which it is accepted by the Managing Committee.

No member of the committee shall be eligible to be elected as President of the Society,
after he has held the office as such during two consecutive terms, whether full or part.
32-B DISQUALIFICATION FOR BEING A COMMITTEE MEMBER:

No Member of the Society shall be eligible for being chosen as and for being a member of the committee, if he :-

i) has been adjudged by a Competent Court to be insolvent or un-sound mind.
ii) is concerned or participates in the profits of any contract with the Society
iii) has been convicted for an offence involving moral turpitude.
iv) holds any office or place of profit under the Society.
v) has been a member of the Society for less than twelve months, immediately, preceding the date of such election or appointment.
vi) has interest in any business of the kind carried on by the Society.
vii) is in default in payment of any amount due in cash or kind to the Society for a period exceeding six months.
viii) is a person against whom any amount due under a decree, decision, or order is pending recovery under the Act.
ix) has been convicted for any offence under the Act.
x) is disqualified for being a member under Section 29 of the Multi State Co-operative Societies Act 2002.
xi) has been expelled as a member of the Society.
xii) absents himself from three consecutive committee meetings and such absence has not been condoned by the committee.
xiii) absents himself from three consecutive General Body meetings and such absence has not been condoned by the members in the General Body.

32-C A person shall not be eligible for being elected as a member of the Committee of the Society for a period of five years, if, the committee of the Society fails:-

i) To conduct elections of the Committee of Society under Section 45 of the Multi State Co-operative Societies 2002.
ii) To call the annual General Body meetings under Section 39 of the Act, OR
iii) To ‘prepare the financial statements and present the same in the annual General Body meeting.

32-D REMOVAL OF THE ELECTED MEMBER OF THE COMMITTEE BY THE GENERAL BODY:

An elected member of the Committee of the Society who has acted adversely to the interest of the Society, may on the basis of the report of the Central Registrar or otherwise be removed from the Committee upon a resolution of the General Body passed at its meeting by a majority of not less than 2/3 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.

33 POWERS AND FUNCTIONS OF THE MANAGING COMMITTEE:

The Managing Committee may exercise all such powers as may be necessary or expedient for the purpose of carrying out its functions under the Act, Rules and these Bye-laws without
prejudice to the generality of such powers shall include power to:

i.) Admit members under the provisions of these Bye-laws. Allotment / Transfer of shares and accept resignations.

ii.) Interpret the organisational objectives and set up specific goals to be achieved towards these objectives.

iii.) Make periodic appraisal of operations.

iv.) Appoint and remove the Staff of the Society.

v.) Make provisions for regulating the appointment of Staff, payment of remuneration to them and other conditions of service including disciplinary action against such staff.

vi) Place the Annual Report, Annual financial Statements, Annual Plan and Budget for the approval of the General Body.

vii) Consider Audit Compliance report and place the same before the General Body.

viii) Acquire and dispose off immovable property.

ix ) Review membership in other Cooperatives.

x) Approve annual and Supplementary Budget.

xi) Raise Funds.

xii) Sanction loans and advances other credit facilities.

xiii) The Managing Committee shall be competent to frame subsidiary rules for grant of loans, deposits, investments and welfare schemes to safeguard the economic interest of the members.

xiv) To Call for General Body meetings.

xv) To consider the Expulsion of Members in accordance with the provisions of these Bye-laws and accept resignations. To receive the deposit and to repay the deposits.

xvi) To sanction all the expenses incidental to the management of the Society. The President being authorised to incur contingent expenditure up to a limit of Rs.3,000/- in anticipation of the formal sanction of the Committee.

xvii) Declaration of Interest / Dividends.

xviii) To fix the rate of interest on loans and deposits.

xix) To arrange for elections of the Managing Committee.

xx) To take such other measures or to do such other acts as may be prescribed or required under the Act, Rules or the Bye-laws of the Society.

The Managing Committee Shall have the additional following powers:

33-A To evolve a fund known as the State Bank of Hyderabad Employees' Co-operative Credit Society Limited “Mutual Benefit Fund” to render monitory benefit to the family members of the deceased members as an additional service and also to render retirement benefits in case of members retiring either from regular service on completion of 60 years of age with a minimum of 15 years of membership in the Society OR on voluntary grounds on completion of 25 years of membership in the Society and who opts to continue as “Associate Members” of the Society and to frame the subsidiary working rules thereof;

33-B To evolve a fund known as the State Bank of Hyderabad Employees' Co-operative Credit Society Limited “Members Superannuation Scheme” to render the retirement benefits to the member retiring either from regular service on completion of 60 years of age with a minimum of 15 years membership in the Society OR on voluntary grounds on completion of 25
years of membership in the Society and who opt to continue as “Associate Members” of the Society and to frame the subsidiary working rules thereof;

33-C To evolve a fund known as the State Bank of Hyderabad Employees’ Co-operative Credit Society Limited. “Surety Relief Fund” which shall be constituted in order to provide relief to the members who stand as surety to the borrower member, and where the loan is not fully or partly recovered on account of cessation of his/her membership in the Society due to resignation/dismissal/removal of his/her services in the Bank and to frame the subsidiary working rules thereof;

33-D To evolve a fund known as the State Bank of Hyderabad Employees’ Co-operative Credit Society Limited. “Medical Assistance Reimbursement Fund” to provide medical relief to the Existing members/Associate Members of the Society and also to extend exclusive risk coverage only to existing members in case of permanent total disability of limbs or eyes and to frame the subsidiary working rules thereof;

34 MANAGING COMMITTEE MEETINGS:

The Managing Committee shall meet at least once in every quarter or often if necessary to conduct the affairs of the Society. The quorum for a meeting of the Managing Committee shall be 7 a majority of the full strength of the Committee. The Secretary shall convene the meetings of the Managing Committee at the instance of the President of the Society.

All the matters before the Managing Committee shall be decided by a majority vote and should there be an equality of votes; the President or the other presiding member shall have a casting vote. No member of the Managing Committee shall be present at a meeting of the Committee when any matter in which he is personally interested is being discussed. In case of urgency where there may not be sufficient time to convene a meeting of the Managing Committee; the Secretary may obtain the orders of the Managing Committee by circulation of papers among all the members of the Managing Committee. Such a decision arrived at by circulation of paper shall be placed before the next meeting of the Managing Committee for their ratification. Should a difference of opinion arise in the course of such circulation the matter shall not be decided by the circulation but shall be placed before the meeting of the Managing Committee.

The Secretary shall send the notice of the meeting along with the agenda to the committee members with details of date and hour. The notice should be sent to the members at least 3 days before the meeting.

The President, if for any reason is unable to attend a meeting of the Managing Committee, any other member of the Managing Committee chosen by the members of the committee present from amongst themselves at the meeting shall preside at the meeting.

34-A Should a Member of a Managing Committee absent himself from three consecutive meetings of the Managing Committee; he shall cease to be a member of the Managing Committee but it shall be open to the Managing Committee to re-instate him on a written requisition from him explaining his reasons for such absence. Provided, that he shall not be re-instated more than once during the term of the committee.

The adjourned meetings for want of quorum shall not be counted for the purpose of absence.

As amended 29-09-2015  Page No: 15
Note: Committee member includes office-bearers.

34-B. No committee meeting can be held or proceeded with if the quorum as prescribed in the Bye-laws of the Society is not there. The exemption to this clause is only for an adjourned meeting convened by the Central Registrar which would not be held for want of quorum for the first time.

35 MINUTES OF THE COMMITTEE MEETINGS:

The minutes of all the meetings of the Committee shall be recorded in a minutes book maintained for the purpose and signed by the Chairman and the Secretary.

36 GRATUITIOUS SERVICE:

Services of all the members of the Managing Committee shall be gratuitous.

37 VOTING BY MEMBERS OF THE COMMITTEE:

No member of the committee shall vote on an application for a loan in which he himself is interested as borrower.

The Managing Committee shall maintain a list of members on the rolls of the Society who are qualified to vote at the General Body Meeting and shall bring such list upto date 30 days prior to the date fixed for such meeting of the General Body on which the members of the Managing Committee are being elected. The Secretary or the Election Officer shall supply copies of such list to such members as may be desired to have them on payment of Rs.50/- or such fees as may be prescribed by the Managing Committee from time to time. Society shall not admit any members 30 days prior to the date fixed for such General Body Meeting of the Society.

38 COMMITTEE’S RESPONSIBILITY TO THE GENERAL BODY:

The Committee shall be responsible for all the acts to the General Body and shall maintain all necessary books and accounts at the office of the Society.

39 POWERS, DUTIES AND RESPONSIBILITIES OF THE OFFICE-BEARERS:

A) PRESIDENT:

i) He shall preside over all the meetings of the Society and exercise overall control over the affairs of the Society.

ii) The Chairman shall sign the proceedings of all the meetings presided over by him;

iii) In the event of equality of votes on a resolution the Chairman shall have an additional casting vote in the meeting;

iv) To convene the meeting of the Members of the Managing Committee, Executive Committee and other committees of which he is the Chairman;

v) The Chairman may delegate any of his powers and functions to the Vice-Chairman;

vi) The Chairman may take decisions as of an urgent and emergent nature affecting the policy of the society on behalf of the Managing Committee, Executive Committee or any other committees. The matter will be placed before the next meeting of the concerned committee for ratification.
B) VICE-PRESIDENT : He shall discharge all the duties and responsibilities and also exercise the powers of the President in the absence of the President.

C) SECRETARY :

   i.) To summon and attend all the General Body meetings and meetings of the Managing Committee.
   ii.) To record the proceedings of the meetings and get them signed by the Chairman.
   iii.) To keep accurately and upto date all the accounts and books required by the rules to prepare all vouchers and documents and to conduct all correspondence and supply all necessary information to the members.
   iv.) To prepare the annual statements and any other statements or reports called for by the Registrar.
   v.) To be responsible for the safe custody (which will be temporary) of any money received from the bank or any member on behalf of the Society.
   vi.) To be responsible for the day to day management of the Society’s office and its paid staff.

D) ASSISTANT SECRETARY : He/She shall assist the Secretary. He/She shall discharge all the duties and responsibilities and also exercise the powers of the Secretary during the latter’s absence subject to the approval of the President.

E) TREASURER :

   i.) He/She shall maintain accounts of the Society. He shall operate on all the accounts jointly with the Secretary.
   ii.) To receive and acknowledge all monies tendered on behalf of the Society. Receipts for sums in excess of Rs. 25/- will be countersigned by the Secretary, in his absence the President.
   iii.) To remit forthwith to the Bank all monies received.

F) No member of a Managing Committee shall be eligible to be elected as the president or vice-president of the society if:-

   i.) He / She is a Minister in the Central Government or a State Government.
   ii.) At the same time, he/she is holding the position of President or Vice-President of the Managing Committee of more than two Multi State Co-operative Societies.
   iii.) No member of a Managing Committee shall be eligible to be elected as the president of a multi-state cooperative society, after he has held the office as such during two consecutive terms, whether full or part.

G) Constitution of Sub-Committee and other committees by the Managing Committee:

   The Managing Committee may constitute Sub-Committees and other Committee as may be considered necessary and shall perform such functions as assigned to it by the Managing Committee from time to time.
LOANS

40 LOAN APPLICATIONS:

Applications for loans shall be addressed in the prescribed form to the Secretary who shall place them before the Managing Committee at their next meeting. The Managing Committee shall be empowered to deal finally with all loan applications. If any application is rejected the committee shall not be bound to assign reasons there for.

41 LIMITS & CONDITIONS FOR GRANT OF LOANS:

Subject to the availability of funds and rules made by the Managing Committee from time to time an approved member may be advanced loan subject to the limits and conditions mentioned below:

No member shall be entitled to any loan from the Society unless he has put in atleast one year confirmed service in the Bank and minimum of one year membership in the Society.

41-A CREDIT LOAN:

Each member shall be entitled to Credit Loan to the extent of an amount equal to eight months basic pay for every completed year of membership upto a maximum of Rs. 1,25,000/- subject to holding of shares equivalent to 1/4th of the loan amount or Rs. 4,500/- whichever is less, repayable in 72 regular monthly installments on furnishing at least two acceptable sureties who are the members of the Society. The time gap between the sanction of one Credit loan and the other shall be 18 months.

NOTE :

i) Basic pay for the above purpose shall include all allowances ranking for Provident Fund,

ii) Member shall be entitled to avail Credit Loan upto a maximum of Rs.1,25,000/- as well as Long Term Loan upto a maximum of Rs.1,75,000/- separately, apart from Special Long Term Loan and Emergency loan.

41-B LONG TERM LOAN:

Twenty times his/her basic salary upto a maximum of Rs. 1,75,000/- which shall be termed as Long Term Loan to the members who have put in 2 years of confirmed service in the Bank and membership not less than 2 years in the Society, subject to holding of a minimum 30 shares for the purpose of housing (i.e., purchase of Plot/House or for construction, completion, extension or repair of house directly or through a Co-operative Housing Society,) or other than housing (i.e., Marriage, Education, Medical, Vehicle / Consumer Loans etc.,) repayable in not more than 96 regular monthly installments on furnishing Two acceptable sureties, who are the members of the Society and on production of evidence to the satisfaction of the Managing Committee. Between the sanction of one Long Term Loan and the other the time gap should be 24 months.

Provided that such a member authorises to deduct the installments or dues in full or part either from his/her salary or gratuity/pension or any other payments that he/she receives from
The maximum borrowing power of a member including Credit Loan / Long Term Loan / Emergency Loan and Special Long Term Loan shall not exceed;

i.) For Sub-Staff  Rs. 3,75,000/-
ii.) Other than Sub-staff  Rs. 4,50,000/-.

NOTE : In case of any shortfall on account of the required Share Capital as specified at Bye-Law No.41(a) and 41(b) above, the same will be adjusted at the time of releasing the loan.

41-C. EMERGENCY LOANS:

i.) Each member shall be entitled as under to avail a special short term loan of Rs. 20,000/- which may be titled as “Emergency Loan” for any unforeseen purposes on furnishing two sureties acceptable to the Society.

ii.) This Emergency Loan will be recovered in 20 equal monthly installments with interest, starting from the salary for the succeeding month of sanction.

iii.) This Emergency Loan will be available even though usual Credit loan / Long Term loan or Special Long Term Loan may be outstanding.

iv.) No member shall be entitled to renew the loan until completion of 12 months from the date of the last borrowing or after the loan is liquidated in regular monthly installments.

41-D SPECIAL LONG TERM LOAN:

Each member shall be entitled to avail Special Long Term Loan for the purpose of Construction / Renovation / Extension / Repairs of house subject to the terms and conditions of the subsidiary working Rules thereof;

QUANTUM OF LOAN : 

The “Special Long Term Loan” to be disbursed by the Society to the eligible persons shall be:

i) Other than Sub-Staff  Rs. 2,75,000/-
   (Subject to holding of maximum 45 shares of Rs. 150/- each or Rs. 6,750/- which ever is less)

ii) Sub-Staff  Rs. 2,00,000/-
   (Subject to holding of maximum 37 shares of Rs. 150/- each or Rs. 5,550/- which ever is less)

42 DAYS OF GRACE AND PENAL INTEREST ON OVERDUE LOANS:
A. The instalments towards repayment of loans as well as the interest and the share money will have to be paid on the first of every month and will generally be recovered from the salaries of the member concerned. If however a member had not been able to draw his salary on the first for some reason or the other, a grace of 10 days will be allowed and after that penal interest may be charged at the rate of 2 paise per rupee per month in addition to the ordinary interest.

B. In case of any property of the society is lost or stolen or any of its amount is irrecoverable; then the General Body is empowered to write off such amounts after obtaining approval from the Registrar.

C. Similarly, amounts due by the Society but not claimed within the period allowed by the Indian Limitation Act; shall be added to the Reserve Fund of the Society.

43. INTEREST ON LOANS:– On all the loans advanced interest shall be charged at the rate of 10% p.a. at half yearly rests as long as the Society advances from its own capital or deposits, but when loans are obtained from outside sources the interest shall be charged on all loans (including the loans already existing) from the date of such advances at higher rate to be fixed by the Managing Committee.

44. RESERVE FUND:

i) In addition to the sum prescribed under the Co-operative Societies Act and Bye-laws, all admission fees, entrance fees, nominal membership fees, amount of forfeited shares and dividends and donations shall be carried to the Reserve Fund.

ii) Any loss occurring as the net result of the year's working may with the previous sanction of the Registrar, be made good from the Reserve Fund or from the profits of the next ensuing year or years.

iii) The Reserve Fund shall be separately invested in government and trustee securities or other approved securities or in fixed deposits with the District Central Co-operative Bank or the State Co-operative Bank.

45 EXECUTION OF DECREES, ORDERS AND DECISIONS:

The execution of decrees, orders and decisions passed under the Multi State Co-operative Societies Act., 2002 and Rules framed there under shall be applicable in accordance with the procedure stipulated under Section 94 read with Rule 37 of the said Act.

46 REGISTERS AND BOOKS OF ACCOUNTS TO BE MAINTAINED:

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

i.) Register of members (it shall be corrected every month).

ii.) A book for proceedings of General Body and Managing Committee Meetings and inspection notes of the Officers and Registrar of Co-operative Societies.

iii.) A cash book showing all receipts and expenditure and the balance in hand shall be struck each day on which entry is made.

iv.) A ledger showing the accounts of each member and of the Society.

v.) A pass book for each depositor.

vi.) All other registers and books of accounts etc., that may be required to be maintained.
47 INSPECTION OF BOOKS OF ACCOUNTS BY MEMBER:

The books of accounts of the Society shall be open for inspection by the members so far as they relate to their personal accounts individually.

48 AUDIT:

The accounts of the Society shall be Audited at least once in each year by an Auditor / Auditors appointed by the General Body in accordance with the provisions of Section 70 to 72 of the Multi State Co-operative Societies Act, 2002 and the Auditors so appointed shall have the powers, duties and rights set-out in Section 73 to 76 of the Act. The remuneration of Auditors shall be fixed by the General Body.

PROFITS:

49 ALLOCATION OF PROFITS:

At the close of each working year of the Society, the actual working expenses shall be deducted from the earnings and after reserving the following sums, the balance may be declared as interest / dividends provided that the amount does not exceed 8.5% actually (pro-rata); small sums being carried forward:

i. Not less than 25% of the net profit shall be carried forward to Reserve Fund.
ii. A sum not less than 1% from the net profit shall be carried forward towards Common Good Fund.
iii. To Credit one percent as contribution to the Co-operative Education Fund maintained by the National Co-operative Union of India Ltd., New Delhi.
iv. Transfer an amount not less than ten percent to a Reserve Fund for meeting unforeseen losses.
v. Donation of amounts not exceeding five percent of the net profits for any purpose connected with development of co-operative movement or charitable purpose as defined in section 2 of the charitable endowment Act 1890 (6 of 1890).
vi. Any other sum or sums that may be set apart by the Managing Committee with the approval of the General Body for specific purpose.
vii. Any other sum or sums that may be set apart by the General Body for specific purpose as may be prescribed by the Statutory / Regulatory Authority.

Note: The working year for this purpose will be reckoned from 1st April to 31st March of every year.

50 DISSOLUTION OF THE SOCIETY:

The dissolution of the society shall be done as per the provisions under Chapter IX of the Multi State Cooperative Societies Act, 2002 and the Rules framed there under.
50-A AMENDMENT TO BYE-LAWS:

The amendment of these bye-laws shall only be passed by a resolution of the meeting of the General Body in which a quorum is present by a vote of not less than two thirds of the members present thereat and not less than 15 clear days’ notice for considering of such amendment has been previously given.

51 MISCELLANEOUS - SETTLEMENT OF DISPUTES:

I. The settlement of disputes in Society shall be in accordance with the provisions under Chapter IX of the Multi State Cooperative Societies Act, 2002. The limitation period in disputes shall be as per the provisions of the Act.

II. Execution of decrees, decisions and orders shall be as per Chapter XI of the Act.

III. Appeals, Reviews and Revisions as per the Chapter XII of the Act.

IV. Offences and Penalties are as per the Chapter XIV of the Act.

V. The Society shall file returns to the Central Registrar as per Section 120 of the Act.

VI. In case of necessity the interpretation of the Central Registrar of Cooperative Societies of these Bye-laws shall be final and shall be acted upon by the Society accordingly.

VII. No act of the General Body or the Managing Committee shall be deemed invalid by reason of any defect in the election of a Member thereof or by reason of any vacancy therein not having been filled in;

VIII. The matters which have not specifically provided in these Bye-laws shall be decided in accordance with the provisions of the Multi State Cooperative Societies Act, 2002 (Act 39 of 2002) and the rules there of.