

**THE ANDHRA PRADESH WOMEN'S CO-OPERATIVE FINANCE  
CORPORATION LIMITED, HYDERABAD.**

**(As Amended on 02.02.1999)**

**Bye – Law No. 1 :**

Name: Constitution and Address:

The Andhra Pradesh Women's Co-operative Finance Corporation Limited, Hyderabad is registered as a Co-operative Society under the Andhra Pradesh Co-operative Societies Act, 7 of 1964. Its address shall be Hyderabad, Andhra Pradesh. Its area of operations shall extend to the State of Andhra Pradesh.

**Bye – Law No. 2 :**

- i) "Corporation" means the Andhra Pradesh Women's Cooperative Finance Corporation Limited, Hyderabad.
- ii) "Society" means a Co-operative Society of Women.
- iii) "Act" means Andhra Pradesh Co-operative Societies Act, 1964.
- iv) "Board" means the Board of Directors of the Corporation.
- v) "Rules" means the Andhra Pradesh Co-operative Societies Rules 1964.
- vi) "Government" means the Government of Andhra Pradesh.
- vii) "Registrar" means the Registrar of Co-operative Societies, Andhra Pradesh, Hyderabad or any person on whom the powers of registrar were conferred by the Government under Section 3 of the Act.

**Bye – Law No. 3 :**

**OBJECT**

The Primary duty of the corporation is to undertake economic up-liftment of women in the State. The objects of corporation shall therefore be as follows:

- i) The Corporation shall plan promote, undertake and assist programmes of Agricultural Development, Animal Husbandry, Marketing, Processing, Supply and Storage of Agricultural Products, Small Scale Industry, Village Industry, Cottage Industry, Trade Business or any other activity which will

enable its members to earn a better living and help them improve their standard of living.

- ii) To undertake a massive Programme of employment oriented Agro-Industries, Cottage and small scale Industries, Village Industries etc, by providing technical know how managerial assistance, financial assistance, and any other form of assistance which may be required in achieving the above objective including providing the necessary financial guarantees to its members.
- iii) To provide working capital to the members by advancing loans and cash credits.
- iv) To Co-ordinate, supervise and control activities of affiliated societies and individual members indebted to the Corporation of who obtained supplies and services from the Corporation.
- v) To act as the Agent of the Government for procurement supply and distribution of agricultural of other produce or other goods as and when required to do so.
- vi) To provide facilities for survey, research or study of the problems relating to Cottage and Village Industries, Small Business to assess potentialities of Village Cottage and Small Scale Industries and scope of their development with a view to promote such Industries and Business for the purpose of providing employment to its members especially the occupational groups among them.
- vii) To arrange for publicity and marketing of the finished products manufactured by the members if necessary by opening Show Rooms, Emporiums, Exhibitions, etc.
- viii) To invest or deposit surplus funds of the Corporation in accordance with Section 46 of Andhra Pradesh Co-operative Societies Act 1964.
- ix) To issue bonds and debentures for raising resources for fulfilling any of the objective of the Corporation.
- x) Generally to purchase, take on lease or in exchange, hire or other wise acquire, any real and personal property and any rights or privileges which Corporation may think necessary, or convenient for the purpose of its business and in particular and land buildings casements machinery plant and stock-in-trade.

- xi) To rent or own godowns or undertake construction of godown on behalf of affiliated Societies, to facilitate the grant of loans to members and the sale of their produce or storage of raw materials and manufactured goods.
- xii) To provide for the Welfare of persons in the employment of the Corporation and families including wives, widows of such persons, by establishing provident or other funds by grant of money, pensions or other payments towards educational and medical (relief).
- xiii) To encourage self help thrift and co-operation among the affiliated societies and their members.
- xiv) To do all other things as are incidental to or conducive to the attainment of the above objects.

**Bye – Law No. 4 :**

**LIABILITY**

The liability of the members of the corporation shall be limited to the share capital subscribed by the respective members.

**Bye – Law No. 5 :**

**SHARE CAPITAL**

The authorised Share Capital of the Corporation shall be five crores made up of the following categories:

- i) “A” Class shares of Rs.100/- each which shall be available to:
  - (i) State Government only.
  - (ii) Registered Co-operative Societies formed by women.
  - (iii) Financing Banks.
- ii) “B” Class shares of Rs.10/- each may be offered to :
  - a) Any other Co-operative Societies not entitled to “A” Class shares.
  - b) Any woman sympathizing with the objects of the Society.
  - c) A minor who succeed a share holders.

- iii) Women who has attained majority and is of sound mind and who resides within the area of operation of the Corporation such members shall be known as nominal members. Such member shall not:
  - a) Be entitled to any share in any form what so ever in the profits or assets of the Corporation as such members. Such member shall not have the privileges, rights or liabilities of a member except those specified in the bye-laws of the Corporation provided that a member in class (iv) shall be entitled to loans and economic assistance from the Corporation.
  - b) It shall be open to Government to take shares in the Corporation subject to such terms and conditions as laid down by Government from time to time. No entrance fee shall be payable by Government on such shares.

**Bye – Law No. 6 :**

**MEMBERSHIP AND ELIGIBILITY**

Membership of the Corporation shall be opened to the following:

- i) State Government.
- ii) Co-operative Societies formed exclusively for Women in the Andhra Pradesh State and Co-operative Societies for the Welfare of Women.
- iii) Any other Co-operative Society or Corporation in the State registered under Co-operative Societies Act for the economic betterment of Women.
- iv) Any women who has attained the age of 18 years and who is competent to contract and residing in the area of operation of the Corporation as nominal members, the nominal members shall have no right to vote or participate in the management of the Corporation and shall have no share in the profit or assets of the Corporation.

**Bye – Law No. 7 :**

Every application for admission to the Corporation shall be in the form prescribed by the Board and addressed to the Managing Director. The Board may not without sufficient cause refuse admission to membership to any women duly qualified under bye-law No. 6. Where admission is refused the decision with the reason therefore shall be communicated by the Corporation by registered post to such person within 15 days from the date of decision or within 60 days from the date of application for membership whichever is earlier. If no such decision is communicated to such applicant within 60 days from the date of application for membership the Corporation shall be deemed to have admitted such applicant as member on payment of share capital etc., and Managing

Director shall give effect of the admission. The name of every applicant either admitted as member under Sub-Section (3) of Section 19 of the Act or deemed to have been admitted as a member by virtue of the provision to the said section shall be entered in the admission register by the Managing Director of the Corporation within 30 days from the date of resolution passed by the competent authority to admit such persons as member of from the date on which such person is deemed to have become as member as the case may be.

**Bye – Law No. 8 :**

Every member shall hold shares of the face value or atleast  $1/20^{\text{th}}$  of its borrowings. This restriction shall be apply to supplies on credit to members. Every member shall on allotment pay an entrance fees of Rupees Ten Per share allotted to its subject to maximum of Rs.100/- as entrance fee. The value of share or shares allotted be paid in one lumpsum. No individual member shall hold more than such portion of share capital or may exceed  $1/5^{\text{th}}$  of the issued share capital of the value of Rs.10,000/- whichever is less.

**Bye – Law No. 9 :**

It shall be open to the Government to take shares in the Corporation subject to such terms and conditions as may be laid down by Government from time to time. No entrance fee is payable on such shares.

**Bye – Law No. 10 :**

Every allottee of shares shall be entitled to receive grants in respect of the share or shares. A certificate or certificates signed by the Managing Director, and countersigned by one other Director. If any such share certificate is lost, a duplicate certificate may be issued on payment of Rs. 10/- per certificate provided that such evidence as the committee may deem reasonable is added regarding the loss of such certificate. If any certificate be worn out or damaged the Managing Director may order the same to be cancelled and issue a duplicate certificate in lieu there of on payment of Rs. 10/- per certificate and on surrendering the certificate so worn out on damaged.

1) If a member dies her membership shall if so facto cease.

2) Every member may nominate any person or person to whom in the event of her death the value of her share or shares or any other money due to her shall be paid. The number of persons so nominated shall not exceed, the number of shares held by the member when a member nominates more than one person in respect of shares held by her she shall as far as possible specify amount to be paid each nominee in terms of whole shares.

3) A nomination made by a member or any variation or revocation there of shall not be valid and shall not in the event of death of the member have effect unless,

i) It is made in writing and signed by the member in the presence of atleast two witnesses and

ii) It is entered in the books of the Corporation kept for the purpose.

4) If no nomination has been made by a member the Corporation shall on the death of the member by a notice exhibited at the Office of the Corporation invite claims or objections for the payment of value of share or shares of the deceased member to a heir or legal representative within the time specified in the notice. After considering the objections or claims if any received in this behalf and after making such enquiries as the Board of Directors consider necessary it shall decide as to the person to whom in its opinion is the heir or legal representative of the deceased member and proceed to pay the value of the share or interest of deceased member to such person only.

5) In case of payment of value of share or interest or other money due to the deceased member the Managing Committee shall obtain two surities for the amount involved in such payments from the members of the Corporation.

**Bye – Law No. 11 :**

**EXPULSION OF A MEMBER**

1) If a member has acted adversely to the interest of the Corporation, Society shall be competent to the General “Body” to expel her from membership by resolution passed at its meeting by not less than 2/3 of the members present and voting at such meeting after giving her an opportunity to state her objection if any.

2) The resolution referred to in Col. (1) shall not take effect until it is approved by the Registrar.

**Bye – Law No. 12 :**

1) No member shall be permitted to transfer any share or interest held by it unless:

i) The member has held such share for not less than one co-operative year.

ii) The member has cleared its dues to the Corporation and that there are no debts due to Corporation in regard to which she stood surety.

iii) The transferee has been accepted by the Board for admission to membership, and

iv) Until the name of the transferee has been entered in the shares transfer register.

**NOTE:** Every endorsement upon the certificate of any share for transfer shall signed by the Managing Director.

2) No member shall at any time be permitted to withdraw any share or shares held by her. The withdrawal of shares held by the Government shall how ever be on such terms and conditions as may be laid down by them from time to time which shall be binding on the Corporation. Should be a member cease to be eligible for membership the Corporation shall remove its name from the list of the members and arranged to pay back within reasonable period to such member the share capital paid by it together with dividend declared if any after deducting any sums due from it to the Corporation.

**Bye – Law No. 13 :**

The membership of a Society in the Corporation shall cease if :-

- i) All the shares held by the members society are cancelled or
- ii) Its registration is cancelled.

**Bye – Law No. 14 :**

A past member shall be liable as provided in bye-law No. 4 for the debt due by the corporation as they existed on the date when it ceased to be a member for a period of 2 years from such date.

**Bye – Law No. 15 :**

**FUNDS**

The Corporation shall ordinarily raise funds in the following manner from all or any other following sources.

- i) Share Capital
- ii) Entrance fees and other fees
- iii) Deposits from members

iv) Loans from the Life Insurance Corporation, Co-operative Financing Agencies, Commercial Banks, Khadi and Village Industries Commission, State and Central Governments, Zilla Parishads and Panchayat Samithies, National Corporations etc.

v) From other Financing Agencies.

vi) Grants/ Subsidies from the State and Central Governments.

vii) Grants/ Subsidies from any other Institutions/ Agency.

viii) By floatation of debentures/ bonds.

**Bye – Law No. 16 :**

### **DEPOSITS**

The Corporation may accept deposits from members on such terms and conditions as the Board may decide from time to time.

**Bye – Law No. 17 :**

### **BORROWINGS**

The total borrowing of the Corporation by way of loans or by way of deposits shall be as permitted by the General Body.

**Bye – Law No. 18 :**

### **MANAGEMENT**

Subject to such resolutions as the General Body may pass from time to time the executive management of the Corporation shall vest in a Board of Directors. The Board shall consist of 18 persons of whom 6 shall be elected by the General Body from among the delegates of affiliated "A" Class share holders and the rest shall be nominated by the government in the manner indicated below:

- 1) Secretary to Government Women Development,  
Child Welfare & Handicapped Welfare.  
Government of Andhra Pradesh Chairperson.
- 2) Joint Secretary or Deputy Secretary to Government.  
Finance & Planning Dept., Government of Andhra Pradesh. Member.



- 3) Joint Secretary to Government, Women Development  
Child Welfare & Disabled Welfare Dept. Govt. of A. P. Member.
- 4) Director of Women Development and  
Child Welfare Dept. Andhra Pradesh, Hyd. Member.
- 5) Commissioner/ Director of Social Welfare or his nominee Member.
- 6) Commissioner/ Director of Industries or his nominee. Member.
- 7) Commissioner/ Director of Animal Husbandry or his  
nominee. Member.
- 8) Commissioner for co-operative registrar of Co-operative  
Society or his nominee. Member.
- 9) Commissioner/ Director, Tribal Welfare or his nominee. Member.
- 10) Managing Director, APWCFC, Ltd., Hyderabad. Convener/Member.
- 11) Five Members elected by the General Body.
- 12) From among the delegates of the "A" Class Share holders.
- 13) Till then Government can nominate (5) non-official women members.

**Bye – Law No. 19 :**

**BOARD**

The members of the Board except those nominated by the Government shall be elected by the General Body in accordance with the provisions of the Andhra Pradesh Co-operative Societies Act 1964 and the Andhra Pradesh Co-operative Societies Rules 1964. The terms of the members of the Board shall be for a period of 3 years for the period of office of the members of the Committee the year shall commence from the date of assumption of charge by the Chairman. All the members of the Committee shall vacate their office on the expiry of the term unless the period is extended by the registrar of Co-operative Societies under section 31 (2) (b) of the A. P. Women's Co-operative Societies Act 7 of 1964. Any interim vacancy or vacancies of the elected members shall be filled by Co. option by the remaining members of the Board at a meeting. The members of the Board co-opted in any interim vacancy shall also vacate their office on the expiry of the term of office of the Board. The proceeding of the Board shall not be invalidated on account of any vacancy or vacancies on the

Board, which may remain unfilled. Any member of the Board may at any time resign from her office by sending a letter of resignation, which shall take effect only from the date on which it is accepted by the Board.

### **TRANSITORY BYE-LAWS**

1. Notwithstanding any thing contained in Bye – Law No. 18 & 19 the 1<sup>st</sup> set of Board including the chairman shall be nominated by the government. They shall hold for a period of 5 years. The Government shall also have power to extend the nomination of the directors from time to time as may be considered necessary.

2. The Government shall have power to cancel the nomination of any of the members of the Board including the chairman and nominate any other person in her place without assigning any reasons. Any interim vacancy that may arise among nominated members shall also be filled by the Government for the rest of the period.

3. A nominated Chairperson/ Directors shall be eligible for perks on par with other corporate bodies.

#### **Bye – Law No. 20 :**

### **MANAGING DIRECTOR**

Government shall appoint an officer of the Government as Managing Director of the Corporation.

#### **Bye – Law No. 21 :**

### **MEETING OF THE BOARD**

The Board shall meet as often as necessary for the Conduct of the business of the Corporation, such meeting shall be convened by the Managing Director giving 7 days notice of the meeting. The quorum for the meeting for the Board shall be **(6)**. All questions before the Board shall be divided by majority of votes. In case of equality of votes the Chairman or any other of the Board presiding at the meeting in the absence of the Chairman shall exercise a casting vote. No member of the Board shall be present at any meeting of the Board when any matter in which she is personally interested is being discussed. The Managing Director of the Corporation shall also within a period of 15 days from the date of receipt of a requisition for a meeting of the Managing Board from atleast five members of the Board or from the Registrar could convene a meeting stating the subject to be considered there at .

Notice for the meetings shall be sent either by local delivery or by post under certificate of postings.

The notice of meetings shall be deemed sufficient and proper if sent to the address given by the members it being their duty to keep the Corporation informed of any change in their addresses.

Any subject of an urgent and important nature not included in the agenda except the amendments to bye-laws may with leave of the house be taken up for discussion. When leave is refused the subject so brought up shall be deemed to be a subject to discussion at the next meeting.

**Bye – Law No. 22 :**

**DISQUALIFICATION OF A MEMBER OF THE BOARD**

A delegate of an affiliated society which is in default to the Corporation or any other society for a period of exceeding 3 months or a delegate who is a defaulter to the Corporation or to any other Society for a similar period shall cease to be Director in the Corporation or vote at the meeting of the general body.

A member of an affiliated society member who has been appointed to represent the Society in the Corporation and vote or is a Director shall cease to hold his appointment as such if she is in default to the society or any other society for a period exceeding 3 months or if she become a defaulter to the Society of any other society for a like period.

**Bye – Law No. 23 :**

No delegate of an affiliated society shall be eligible for being chosen as and for being a member of the Board if:

- a) Is in default to the Society which she represents or to any other society for a period exceeding 3 months or is a delegate of the society which is defunct or is in default to the Corporation or any other society for a period exceeding 3 months.
- b) Acquires any interest in any subsisting contract made with a work being done for the Corporation except as otherwise prescribed in the Rules.
- c) Is of unsound mind and stands so declared by a competent court; or suffering from leprosy;
- d) Is appearing as a paid legal counsel on behalf of the Corporation or if she is appearing against the Corporation.

- e) Ceases to be a member of the society which she represents.
- f) Has held office as a Director of two apex or two central or one apex and one central society;
- g) Has held office as a Director of the Corporation for two consecutive terms.
- h) Her delegation is withdrawn.
  - i) The Board which selected her as a delegates has been superseded.
  - j) The affairs of the affiliated society of which she is the delegate are wind up.
- k) She resigns;

**Bye – Law No. 24 :**

Any delegate of a member society sitting on the Board or Directors of the Corporation shall vacate the seat if;

- i) Her delegation is withdrawn by the society she is representing.
- ii) The committee of the society which elected her as a delegate is superseded;
- iii) The society of which she is a delegate or defunct or commits default for over 3 months to the corporation.
- iv) The affairs of the society of which she is the delegate are wind up; or
- v) She resigns;
- vi) She is convicted in an offence.

**Bye – Law No. 25 :**

**POWERS OF THE BOARD OF DIRECTORS**

- a) To appoint, suspend, remove or dismiss or otherwise deal with the employees of the corporation.
- b) To raise funds for the purpose of the corporation in the form of loans on Hypothecation, mortgage, pledge, change of movable or immovable property of the corporation.

- c) To admit members;
- d) To establish and maintain provident fund or other benefit funds for the employees as laid down in the bye-laws.
- e) To determine from time to time who shall be entitled to sign on behalf of the Corporation bills notes receipts acceptances, endorsements, cheques released contracts and documents and to give the necessary authorities for purpose in the absence of the Managing Director.
- f) To institute conduct defend compound or abandon any legal proceedings by or against the Corporation or its Officers;
- g) To frame subsidiary regulations for the conduct of business of the Corporation with the approval of Registrar;
- h) To frame regulations for sanction and recovery of loans and cash credits and also to grant loans and advances to members;
- i) To sanction or approve investments of funds of the Corporation.
- j) To authorize the Managing Director or any other paid employee of the Corporation to operate on the Bank accounts.
- k) To scrutinize and put up the annual budget to the general body.
- l) To prescribe or regulate from time to time the strength of office and field staff their scales salaries, allowances and other conditions of services and to incur such expenditure as may necessary for the management of the business of the Corporation subject to budget allotment.
- m) To sanction creation of post for the management of the Corporation Subject to budget allotment.
- n) To incur such expenditures as may be necessary for the management of the Corporation with reference to the scale and within the budget allotment.
- o) To present to the General Body the annual report and the statement of accounts.
- p) To arrange for the efficient supervision of affiliated societies.
- q) To appoint or take on loan services of officers of the Government for carrying out the business of the Corporation.

- r) To create cadres of key personnel train them and allot to the affiliated societies.
- s) To sanction the posts of different cadres as required for implementation of projects and other activities of the Corporation.
- t) To sanction extension of the period for loans which become due for payment.
- u) To convene meeting of the General Body.
- v) To convene special meetings of the General Body of the affiliated societies and to address them;
- w) To call for a list of defaulting borrowers in the affiliated societies and to direct the societies concerned to take action for recovery of amounts due from such members.
- x) To sanction advances and loans to employees for purposes specified in the bye-laws.
- y) To transact all other business incidental to the administration of the Corporation; and
- z) To arrange to maintain such accounts and registers as prescribed under the Act Rules and Bye – Laws.
- aa) Notwithstanding anything contained in bye-laws No. 25 it shall be open to the government to give direction on important policy and general matters with reference to finances.

**Bye – Law No. 26 :**

**OFFICERS OF THE CORPORATION**

Subject to such resolution as the Board of Directors from time to time pass the several Officers of the Corporation shall have the powers mentioned below:

**CHAIRMAN**

The Chairman shall have a general control over all the affairs of the Corporation. He shall preside over all the meetings of the General Body except that convened by the Election Officer under Rule 22 of the Andhra Pradesh Co-operative Societies rules 1964 and all the meetings of the Managing Committee.

## **POWERS OF THE MANAGING DIRECTOR**

1. The Managing Director shall have a seat on the Board and shall be responsible to the Board of implementing the resolutions of the Board and the General Body.
2. The Managing Director shall be responsible for the executive administration of the Corporation.
3. He shall be the Officer to sue to be sued on documents executed in favour of the Corporation shall be in her name.
4. He shall be the custodian of all the properties of the Corporation and shall also arrange the custody of the properties and cash belonging to the Corporation by subsidiary regulations through sub-ordinate staff.
5. Have power for and on behalf of the Corporation to open and operate on the bank accounts individually or jointly with any other officer authorized for the purpose and subject to such directions and limits as may be laid down by the board.
6. To buy; sell pledge endorse and transfer promissory notes Government and other securities standing in the name and held by the Corporation.
7. To sign endorse and negotiate cheques and other negotiable instruments and to sign all receipts and other documents connected with the business of the Corporation.
8. To arrange for the holding on the meetings of the Board and General Body.
9. To cause the maintenance of all the Accounts and Registrar as prescribed under the Co-operative Societies Act and Registrar or the Bye – Laws and submission in time such returns as are prescribed.
10. To cause inspection of all the affiliated societies.
11. To exercise necessary control over all the members of staff working in the Corporation.
12. To acquire/ purchase land, machinery, etc., for setting up of office center and/ or to carry out objectives of the Corporation.
13. To all that is necessary for carrying on General the day to day administration of the Corporation, to rent and take on lease any building or

premises of site for location of office or institution connected with Corporation and sanction rents at market rates.

14. He shall appoint promote or take on deputation of all the staff within the sanctioned strength.
15. He shall be competent to transfer all officers of the Corporation. He shall also be competent to award punishments including dismissal from service.

To employees whom he is competent to appoint subject, however to an appeal to the Board. On other employees, he shall be competent to impose penalties upto stoppage of increments upto 3 years in accordance with the relevant rules to impose all punishments.

16. He shall also have power to suspend any employee.
17. He shall determine from time to time the powers duties and responsibilities of various employees.
18. He shall be competent to make all purchases and incur expenditure as may be necessary.

**Bye – Law No. 27 :**

**POWER TO MAKE SUBSIDIARY RULES**

It shall be competent for the Board of the Corporation to frame subsidiary regulations for the conduct of the business of the Corporation consistent with the Act, rules and bye-laws. Such subsidiary regulations shall be entered on the minutes book of the Corporation.

**Bye – Law No. 28 :**

The Non-Officials and General Body Members who are attending the meeting are eligible for T. A. and also sitting fees as may be decided in Board Meeting from time to time.

**Bye – Law No. 29 :**

The method of recruitment, conditions of service authority competent to recruit to the posts to fix the scales of pay and allowances of the paid officers or employees of the Corporation and the procedure to be followed in the disposal of the disciplinary cases against them shall be governed by special bye-laws framed by the Board, approved by the General Body.



**Bye – Law No. 30 :**

Subject to the provision of the Act the rules and Bye – Laws, the ultimate Authority of the Corporation shall vest in the General Body. The General Body shall not however, interfere with the powers of the Board of the Managing Director in respect of matter delegated to it by the Act the rules and the Bye – Laws. The following matters shall be dealt with by the General Body:

1. Election and removal of the elected members of the Committee.
2. Annual report to the registrar.
3. Consideration of the audit report and the annual report.
4. Disposal of the net profits.
5. Amendment to Bye – Laws.
6. Expulsion of a member.
7. Approval of the annual budget of income and expenditure.
8. Election of delegates to the Financing Bank or Federal Society.
9. Any other matter as the exigencies may require, and as decided by Board.

**Bye – Law No. 31 :**

**GENERAL MEETING**

- a) The board may at any time call a General meetings of the Corporation but such meeting shall be called for held atleast once in a Co-operative year.
- b) The General Meeting shall consist of the delegates of the affiliated societies and individuals holding “A” Class shares and nominees by Government specified in Bye – Law No. 18.
- c) The resolution of the district society appointing a delegate shall be in writing and in such form as may be prescribed by the Committee and shall deposit at the registered office of the Corporation before the time fixed for holding a meeting at which the delegate named in the resolution propose to vote except as otherwise provided in the rules.
- d) A General Meeting may be called at any time by the committee and it shall be called within a period of 40 days from the date of receipt of a requisition

- from two thirds of the total number of affiliated district societies or at the instance of the Registrar.
- e) A notice of the meeting of the General Body shall be issued specifying time, place and date of the meeting atleast 15 clear days in advance such notice shall be sent by any one of the following modes namely:
    - i) By local delivery or
    - ii) By post under certificate of posting.
  - f) The quorum for the General Meeting shall be 25 or 2/3<sup>rd</sup> of the total number of member on rolls whichever is less.
  - g) The Chairman or in her absence one of the members elected for the purpose shall preside at the General Meeting.
  - h) All questions before the General Body shall be decided by a majority of votes. In case of equality of votes the Chairman or a person authorized by her under Section 32 (5) of the Act shall have a casting vote.

**Bye – Law No. 32 :**

**LOANS**

- i) Loan and cash, cash credit shall be given to the “A” Class share holders “B” Class members referred in clauses. (i) and ( ii) of Bye – Law No. 5.
- ii) Loans/ Cash Credits to members shall be sanctioned by the Managing Director as per the terms and conditions to be specified by the Board.
- iii) The Board shall also frame regulations. Governing the terms and conditions on which it may grant conversion of short-term loans into medium term loans or extension of the period of repayment of loans due to the Corporation from its members.
- iv) Should the Board of Directors be of the opinion that a loan or cash credit granted by the Corporation has been mis-applied it shall at once cancel it and take steps to recover it with interest without waiting for the expiry of the period for which it is granted.
- v) The Board shall also frame regulations to be approved by the Registrar of Co-operative Societies Governing the terms and conditions in which it may sanction short term, medium term and long term loans, the period of repayment of loans the security to be obtained etc.

**Bye – Law No. 33 :**

**APPROPRIATION OF PAYMENT FROM MEMBERS**

When a member, from whom money is due, pays any sum, it shall be appropriated in the following orders:

Firstly, to fees, fines postal registration and other miscellaneous charges due by the members, Secondly to interest and, Thirdly to principal.

**Bye – Law No. 34 :**

**BUSINESS**

- i) The Corporation shall carry on such business as may from time to time be decide upon by the Board, within the frame work of the objectives of the Corporation.
- ii) The Board shall frame suitable regulations for the marketing of agricultural products of Dairy, Poultry, Piggery, Sheep Breeding or Cottage or Small Scale Industry of the members.
- iii) The Board may arrange to get the produce pooled graded and processed wherever necessary in order to arrange for sale on more advantageous terms and conditions.

**Bye – Law No. 35 :**

**SUPPLY OF AGRICULRURAL AND DOMESTIC REQUIREMENTS**

The Board shall frame suitable regulations for the conduct of its business as principal or as an agent in the supply of agricultural or domestic requirements or the requirements of Cottage or Small Scale Industry of its member.

**Bye – Law No. 36 :**

**PROCESSING UNITS**

It shall be competent to the Board to own or hire processing plants and transport vehicles like trucks, tractors, etc.

**Bye – Law No. 37 :**

The net profits of the Corporation as declared by the Chief Auditor or any person authorized by him/her in this behalf and after the issue of the audit certificate may be disposed as follows:

- i) 25% of the net profits shall be carried to the reserved funds.
- ii) 10% of the net profits shall be carried to the audit fund if the Corporation does not meet cost of audit or if it does not have its accounts audited as its own expenses.
- iii) 2% of the net profits subject to a maximum of Rs.25,000/- shall be credited to the Co-operative education fund to be administered by the Andhra Pradesh State Co-operative Union Limited. Subject to the provision of the Rules 36 (2) (c) of the Andhra Pradesh Co-operative Societies Rules 1964.
- iv) Out of the reminder, a sum not exceeding 15% of the net profit should be carried to (a) bad debt reserve and (b) for unforeseen losses.

The balance of the net profits may be utilized for all or any of the following purposes:

- a) Payment of dividend to affiliated district societies on their share capital at the rate not exceeding  $6\frac{1}{4}$  % per annum.
- b) Bonus to the members of the establishment of the Corporation as per the provisions in the Bonus Act.
- c) A sum not exceeding 10% of the net profits shall be carried to the Building Fund.
- d) A sum not exceeding  $7\frac{1}{2}$  % of the net profits shall be carried to the Common Good Fund.
- e) The balance if any and profits not allotted in the above manner shall be carried to the Reserved Fund.

All undisbursable and indivisible profits shall be added to the Reserve Fund.

**Bye – Law No. 38 :**

**RESERVE FUND**

- i) The Reserve Fund shall belong to the Corporation as a whole and is intended to meet unforeseen losses. It shall be indivisible and no member shall have any claim to a share in it.
- ii) The Reserve Fund shall be invested deposited or applied in the manner prescribed in Rule 38 & 39 of the Rules.

**Bye – Law No. 39 :**

Losses to be written off: Should any sum or property belonging to the Corporation or any loan due to the Corporation be either stolen or other wise lost, or found irrecoverable it shall be open to the Board to Write off such amount or the value of property after obtaining the sanction of the Registrar.

**Bye – Law No. 40 :**

**ANNUAL STATEMENTS**

The Corporation shall prepare annual statements in such form as may be prescribed by the Registrar:

- a) A statement showing receipts and disbursement.
- b) A profit and loss account.
- c) A balance sheet and
- d) Such other statements as may be prescribed by the Registrar from time to time.

These statements shall be made upto 30<sup>th</sup> June of every year and copy of each shall be sent to the Registrar within 15 days from the close of the Co-operative years ending 30<sup>th</sup> June.

**Bye – Law No. 41 :**

**MINUTE BOOK**

The proceedings of the General Body, Board shall be recorded in the minute book of the Corporation kept by the Managing Director and signed by the Chairman of the meeting concerned at the close of the proceedings.

**Bye – Law No. 42 :**

**CORPORATION TO KEEP COPY OF ACT, RULE AND BYE – LAWS**

The Corporation shall keep a copy of the Act, the rules and its Bye – Laws, the last audited annual balance sheet, the profit and loss account and list of the members of the committee, open to inspection by its members free of charge at all reasonable times at its registered office.

**Bye – Law No. 43 :**

**USE OF THE PREMISES**

The Corporation shall not use or allow to be used, any premises or portion there of which is intended for its business for any purpose other than such business or other activity relating to the Corporation.

**Bye – Law No. 44 :**

**CASH**

All cash balances of the Corporation shall be deposited in the nearest Nationalised Bank approved by the Board.

**Bye – Law No. 45 :**

**LIMITATIONS**

Any amount due by the Corporation and not claimed within the period of limitation allowed by the Indian Limitation Act shall be added to the Reserved Fund of the Corporation.

**Bye – Law No. 46 :**

**MISCELLANEOUS**

- i) No amendment to, alternation in or cancellation of Bye – Law nor the enactment of a new bye-law shall be made except at a General Meeting of the members, nor shall it be deemed to have been passed unless and majority of the members present vote for it nor shall it take effect until it has been approved and registered necessary or desirable in the interest of the Corporation, it may be in the manner prescribed in the Rules to issue direction to consider such amendment to the Bye – Laws and Register it. Such amendment shall have the same effect as an amendment of any Bye – Law made by the Corporation.

- ii) An amendment to the Bye – Laws of the Corporation for which prior notice has been given to the member indicating a reasonable clear idea of the nature of the amendment proposed, shall be considered by its general body at a meeting and carried by a majority of the members present and voting at such meeting. The amendments so carried out shall be sent to the Registrar for registration with 30 days from the date of the meeting.