

# MODEL BYE-LAWS

## CHAPTER I

### IDENTIFICATION OF COOPERATIVE SOCIETY

1. **NAME:** .....Co-operative Housing/Housing Service Society Ltd.
2. **ADDRESS:** Registered and Postal Address of the Society shall be .....  
Any change in the address shall be communicated to the Registrar within a period of thirty days from the date thereof.  
E-mail address of the society shall be.....  
.....  
The society shall exhibit at a conspicuous place in the building a board indicating its name and the registered address.
3. **AREA OF OPERATION:** The area of operation of the Society shall be..... Survey No.....

**4. DEFINITIONS:** Unless otherwise separately provided in these bye-laws, the following words and terms shall have the meanings assigned to them herein:

- (1) **"Act"** the Dadra and Nagar Haveli and Daman and Diu Co-operative Societies Regulation, 2024;
- (2) **"Area of operation"** means the geographical area from which the Society is authorised to draw its membership as specified in the Byelaws;
- (3) **"Board of Directors"** means the Managing Committee or the governing body of the Society, by whatever name called, constituted as per the Act to which the direction, control and management of the affairs of the Society is entrusted;
- (4) **"Byelaws"** means the Registered Byelaws of the Society and includes amendments thereof;
- (5) **"Co-operative Tribunal"** means the Cooperative Tribunal constituted under the Act;
- (6) **"Delegate"** means a member nominated by the Society to represent its interests in a federation or other organisation.
- (7) **"Director"** means a member of the Board of Directors or by whatever name called, duly elected, nominated or co-opted as per the Act, Rules and Byelaws;
- (8) **"Employee"** means the persons appointed by the Board of Directors to run the day-to-day operations of the Society;
- (9) **"House, bungalow, plot or Flat/Shop/Office/-Commercial premises"** means a separate and self-contained set of premises used or intended to be used for residence or office or show room or shop or godown and includes a garage or dispensary or consulting room or clinic or flour mill, premises forming part of a building and includes an apartment;

- (10) **"Financing Bank"** means the bank to which the Society is affiliated or by which the Society is substantially financed;
- (11) **"Financial Year"** means the period commencing from the 1st day of April of any year and ending with the 31st day of March of the succeeding year;
- (12) **"General Body"** means the individuals or institutions having membership of the Society;
- (13) **"Government"** means the Union territory Administration of .....  
Dadra Nagar Haveli and Daman and Diu.
- (14) **"Liability of a member"** means the extent of liability of every member and is limited to the Shares held by him towards contribution to the capital of the Society;
- (15) **"Member"** means any person joining in an application for the registration of a co-operative society which is subsequently registered or a person duly admitted to membership of a society after registration, and includes a nominal, associate or sympathiser member in accordance with the Act, the Rules and Byelaws;
- (16) **"Nominal Member"** means any person admitted to the membership of the Society for a specific purpose as a nominal member as provided in the Act, Rules and Byelaws and shall have no voting right;
- (17) **"Office-bearer"** means an individual elected by the Board of Directors of the Society to any office of the Cooperative Society in accordance with the Act, Rules and Byelaws and includes President, Vice President, Chairman and Vice Chairman, etc.
- (18) **"Person"** means an individual not less than 18 years of age;
- (19) **"President/Chairman"** means a person elected in accordance with the provisions of the Act, Rules and Byelaws who shall be responsible for the overall development and progress of the Society and its members, the implementation of the policy decisions of the Committee and due observance by the Society of the provisions of the Act, Rules and Byelaws;
- (20) **"Professional Director"** means a person appointed or co-opted as Director without voting right to the Board of Directors of the Society by virtue of his being an expert in the field of accounting, finance, management, banking, Information technology, law, agriculture, cooperation, cooperative management or any other specialized field relating to the activities of the Society, who is willing to guide and advise in the affairs or business activities of the Society;
- (21) **"Registrar"** means the Registrar of Cooperative Societies appointed by the Government as per the Cooperative Societies Act to perform the functions of Registrar and includes any person appointed to assist the Registrar and exercise all or any of the powers of the Registrar;
- (22) **"Rule"** means the Dadra and Nagar Haveli and Daman and Diu Co-operative Societies Rules, 2025;
- (23) **"Seal"** means the General Seal of the Society with the year of establishment.
- (24) **"Society"** means the .....Cooperative Housing/Housing service Society Ltd.
- (25) **"Sub Committee"** means the Sub Committee constituted by the Board of Directors as per Byelaws for special/particular assignment and for a specific period, by whatever name it is called;
- (26) **"Transfer Fees"** means the sum payable by a transferor to the society for transfer of the share along with occupancy rights;

(27) **“Vice President”/ “Vice Chairman”** means a person elected in accordance with the provisions of the Act, Rules and Byelaws who shall act as President in the absence of the President of the Society;

Words and expressions defined in the Regulation and the rules and used but not defined in these byelaws shall have the meanings respectively assigned to them in the Regulation and rules.

The words and expressions used but not defined shall have the same meaning as assigned to them in the Regulation and Rules.

## **CHAPTER II**

### **OBJECTIVES AND SERVICES**

#### **5. OBJECTIVES OF THE SOCIETY**

The Objectives of the Society shall be:

(a) To purchase or take on leasehold basis the property land or building constructed/or to be constructed on the land situated at area of operation of the society and in future additional land of said property and adjacent and other land to be purchased or taken on lease to construct the House, bungalow, plot or Flat/Shop/Office/-Commercial premises for allotment to the members of the society for their authorized use.

(b) To manage, maintain and administer the property of the society;

(c) To raise funds for achieving the objects of the society;

(d) To undertake and provide on its own account or jointly with a Co-operative Institution, Social, cultural or recreational activities;

(e) To invest or deposit money;

(f) To facilitate or make arrangements or to collaborate with any local bodies/Governments/ Departments/Societies/Companies for achieving its objectives for the benefit of Society and its Members;

(g) To educate its members & their families (particularly youth and women) and Management and staff about Cooperative Principles, values and actions which may promote social harmony and economic benefits for all the stakeholders in the area of operation by way of organising training, exposure visits or capacity building programmes;

(h) To act as an agency for the implementation of the social security scheme for its members and to provide micro insurance/ insurance;

(i) To provide community-based services in the fields of education (school, college), health (hospital, dispensary, clinical laboratory, ambulance service), tourism and environmental and sustainable development activities;

(j) To act as a source of information/data centre to be used by the Government for various purposes;

(k) To act as a Common Service Centre for facilitating online/digital services in the area of operation;

(l) To undertake such other activities as are conducive and incidental to the attainment of the above objects and as approved by the General Body for the benefit of the members and Society;

(m) To do/undertake all other activities necessary or expedient for the attainment of the objects of the society.

**CHAPTER III**  
**MEMBERSHIP**

**6. MEMBERSHIP:**

(1) TYPES OF MEMBERSHIP: The Society shall have two types of membership.

“A”-CLASS MEMBERS: “A” class members are the shareholders of the Society who can exercise all the membership rights as provided in the Byelaws.

“B”-CLASS MEMBERS: “B” class members are nominal members of the Society.

(2) ELIGIBILITY FOR “A” CLASS MEMBERSHIP: The following persons, subject to the fulfilment of the eligibility condition, shall be “A”-Class Members:

(a) The promoters at the time of registration of the Society;

(b) An Individual who is competent to contract under the provisions of Section 11 of the Indian Contract Act 1872 (above 18 years of age, having a sound mind and not debarred by any Law).

(c) Notwithstanding anything contained in these Bye-laws, admission of a person to Membership of the society, directly or as a result of transfer of shares and interest of the existing member, in the capital/property of the society, shall be subject to the approval of the Registering Authority, if the society has been given land by the Government.

Note: - The number of members in the society shall not exceed the number of the House, bungalow, plot or Flat/Shop/Office/-Commercial premises available for allotment.

(3) An individual who is eligible to be a member and who has applied for membership of the society in the prescribed form may be admitted as a member by the Committee, on complying with the following conditions.

(i) He has paid along with the membership application, the full value of at least one share of Rs. 500/- (Rupees five hundred) and the admission fees of Rs. 100/- (Rupees one hundred).

(ii) Where the membership has been applied for by more than one individual, in the absence of a preceding person or persons, all the rights of membership shall be available to him, provided that such person shall be present and not be a minor.

(iii) He has given in the application the particulars regarding any House, bungalow, plot or Flat/Shop/Office/-Commercial premises owned by him or by any of the members of his family and anywhere in the area of operation of the society.

(iv) He has given an undertaking in the prescribed form to the effect that he shall use the House, bungalow, plot or Flat/Shop/Office/-Commercial premises for the purpose for which it was allotted to him;

(v) He has furnished an undertaking in the prescribed form about the disposal of the House, bungalow, plot or Flat/Shop/Office/-Commercial premises already owned by him or any of the members of his family in the area of operation of the society.

(vi) He has furnished such other undertaking/declaration in the prescribed forms as are required under any law for the time being in force, and such other information as is required under the bye-laws of the society, along with the membership application.

(4) A firm registered under the Indian Partnership Act,1932, Company registered under the Indian Company Act,2013, a society registered under the Societies Registration Act,1860 or a Co-operative

society registered or deemed to be registered under the Act a local authority, the State/Central Government, a public Trust or any other body Corporate, registered under the law for the time being in force, may be admitted as a member by the Committee Meeting of the society on complying with the following conditions.

(i) It has sent along with application for membership, an application in the prescribed form of its employee for nominal, membership who is going to occupy the House, bungalow, plot or Flat/Shop/Office/-Commercial premises on its behalf, along with a true copy of the authority, duly certified by its office, authorizing the employee/s to occupy the House, bungalow, plot or Flat/Shop/Office/-Commercial premises on its behalf.

(ii) It has paid along with the membership application, the full value of at least one share of Rs. 500/- (Rupees five hundred) and the admission fees of Rs. 100/- (Rupees one hundred).

(iii) The firm or the company has furnished the undertaking/declaration in the prescribed forms required under any law for the time being in force, along with the membership application.

(5) ELIGIBILITY AND OTHER CONDITIONS FOR "B"-CLASS MEMBERSHIP:

a) A person who desires to have a business relationship with Society shall be admitted as a nominal member by payment of an admission fee of Rs. 100/- (Rupees one hundred), which is non-refundable and shall be credited to the Reserve Fund of the Society.

b) Nominal Members shall have no right to attend any meeting, or to vote in the affairs of the Society and will not be entitled to a dividend from the Society.

c) Nominal members cannot contest in an election for a member of the Board of Directors in the Society.

d) No share certificate shall be issued to nominal members, but a separate Register shall be maintained in the Society, which shall contain their signatures and full address as proof of their membership.

(6) INELIGIBILITY OR DISQUALIFICATION OF MEMBERS:

A person shall not be eligible for admission or continuing as a member of the Society, and shall cease to be a member if he:

a) has been sentenced for an offence involving moral turpitude, such sentence not having been reversed;

b) has been convicted for any other offence by a Court of Law and sentenced to imprisonment for three months or more unless a period of 5 years has elapsed since his release;

c) is adjudicated as bankrupt or insolvent;

d) has been expelled by the Society or by any other Co-operative Society within a period of 2 years from the date of such expulsion;

e) has defaulted in payment of any dues, including maintenance charges/fees, contributions, subscriptions, and remains as such defaulter from the due date of repayment, shall not be entitled to vote as a member of the society till all repayments are made;

f) is of unsound mind;

g) is a defaulter of any bank/ financial institution, / Society;

h) possesses any other disqualification as per the provisions of the Act/ Rules.

(7) PROCEDURE FOR MEMBERSHIP:

a) Any person who is desirous of becoming a member of the Society and is eligible as per the provisions of the Act/Rules and byelaws, may obtain an application form at a prescribed fee and may submit the duly filled application form to the Secretary/Chairman of the Society.

b) KYC is mandatory for adding new members to the Society.

c) The Secretary/Chairman shall place the application form before the Board of Directors for final decision. The society shall decide on the application and shall communicate the decision within a period of three months from the date of receipt of the application. The Secretary/Chairman shall inform the applicant of the decision of the Board of Directors within this period and, if admitted, ask him to deposit the admission fee and share money along with necessary documents as specified by the Board of Directors, like identity/ residence, etc., on submission of which the applicant shall be admitted as a member of the Society.

An appeal against the denial of membership can be filed before the Registrar, and the decision of the Registrar will be final.

e) Every individual shall subscribe to at least one share of Rs. 500/- (Rupees five hundred) and non-refundable Admission fees of Rs. 100/- (Rupees one hundred) to become an "A"-Class Member.

f) The admitted members should be educated about cooperative values, principles, their rights and philosophy and the services/facilities and benefits available in the Society.

(8) SHARES SUBSCRIPTION BY THE MEMBERS:

a) Maximum shareholding by a member, except the Government, shall be limited to 1/5th of the total subscribed share capital of the Society.

b) Every Individual to whom shares are allotted shall be entitled to receive a share certificate specifying therein the number of shares allotted to him and the amount paid by him.

c) Every share certificate shall be signed by the President/Chairman/Secretary or any other officer authorised by the Board of Directors of the Society.

d) The Society shall maintain a Register of shares, showing a record of shares issued/transferred to its members from time to time and the amount of share capital available to each member with the Society.

e) The Society shall have the absolute right to set off the share amount and the dividend earned on it towards any dues recoverable from the member. This doctrine shall also apply to past members and deceased members.

f) The Society shall have the absolute right to utilise the dividend earned for strengthening the capital base of the Society.

g) The rate of dividend, to be declared by the Society, shall be decided in the General Body Meeting. The society shall pay dividends to its members at a rate not exceeding fifteen per cent. Except with the prior approval of the Registrar.

(9) RIGHTS OF MEMBER:

"A" Class Member: Every 'A' class member shall have the following rights:

a) to attend, participate and vote in the General Body Meeting of the Society;

b) to receive a copy of the annual report and accounts;

c) to elect Directors and to contest as a Director on the Board, if eligible, provided that he has been a member of the Society for a minimum period of three years;

d) to avail all services/facilities or infrastructural support rendered by the Society;

e) to receive a dividend as a share in profit earned by the Society on his subscribed share capital;

- f) to inspect own accounts in the Society free of cost and to obtain a copy of the same by payment of a fee shall be such as prescribed under the provisions of the Right to Information (Regulation of Fee and Cost) Rules,2005;
- g) to inspect annual reports, audited statements of accounts, Audit report, Inspection report and compliance report;
- h) to receive a copy of the proceedings of the minute book about General Body meetings and those portions of the books and records in which his transactions with the society have been recorded.;
- i) to get the copy of the Act, Rules and up-to-date Byelaws of the Society;
- j) All the books, etc., as provided in Section 37 of the Regulations.
- k) to avail voting right in the Society, subject to transacting the minimum services as decided by the General Body of the Society in accordance with the Act, Rule and Byelaws.

(10) DUTIES OF MEMBER:

- a) Every applicant before being admitted to the membership of the Society shall sign a declaration that he has read and understood the provisions of the Byelaws and shall be bound by the Byelaws of the Society, Act and Rules.
- b) A member who is already a member by reason of having joined the application for Registration is required to sign such declaration within one month of the Registration of the Society.
- c) No member shall exercise any right of membership until he has signed the declaration as referred to above and has paid the admission fee and the full value of shares subscribed by him and paid all the charges/fees due to him.
- d) To attend at least one general body meeting within a consecutive period of five years and to utilise the minimum level of services at least once in a period of five consecutive years as specified in the bye-laws of the society:  
 Provided that a member who does not attend at least one meeting of the general body and does not utilise the minimum level of services at least once in a period of five consecutive years, as specified in the bye-laws of such society, shall be classified as a non-active member and a non-active member, shall have no right to vote.
- e) The member is duty-bound to pay maintenance charges, fees, or any charges as may be fixed by the general body as and when due.
- f) Every member shall keep his House, bungalow, plot or Flat/Shop/Office/-Commercial premises clean.
- g) No member shall, without the previous permission of the Committee in writing, make any additions to or alterations in his House, bungalow, plot or Flat/Shop/Office/-Commercial premises.
- h) The member desirous of making any additions to or alterations in his House, bungalow, plot or Flat/Shop/Office/-Commercial premises shall make an application to the Secretary of the Society giving all the required particulars. Further action on such an application shall be taken by the Secretary and the Committee of the society.
- i) No member, without the previous permission of the Committee in writing, shall stock or store any kind of goods or materials, which are combustible, obnoxious or other goods for the storing of which requires a permit/sanction of the competent authority under any law relating thereto.
- j) No member shall do or suffer anything to be done in its House, bungalow, plot or Flat/Shop/Office/-Commercial premises which may cause nuisance, annoyance or inconvenience to any of the members of the society or carry on practices which may be repugnant to the general decency or morals of the members of the society.

k) No member of the society shall use the House, bungalow, plot or Flat/Shop/Office/- Commercial premises allotted to him for a purpose other than that mentioned in the letter of allotment, without the previous consent in writing of the Committee.

l) No member shall be entitled to utilise more parking spaces/stilts than what is allotted to him by the Committee.

(11) LIABILITY OF MEMBERS:

The "A" class members of the Society shall, in the event of liquidation/dissolution, be jointly and severally liable to contribute towards the deficit in the assets, limited to the extent of share capital subscribed or paid by them.

(12) WITHDRAWAL OF MEMBERSHIP AND SHARE CAPITAL:

Membership may be withdrawn only after one year of membership and upon adoption of a resolution at a meeting of the Board of Directors. All such resolutions will be placed before the General Body for information. If the member has paid all dues to the Society and cleared any liability as sureties, if any, in full, he may withdraw his membership, provided that he gives one month's notice to the Board of Directors and submits a written request explaining his reasons for withdrawal. Withdrawal/Cessation of membership does not absolve the member from any financial or other liabilities he has as a member.

(13) EXPULSION OF MEMBER:

A Member of the Society may be expelled by a resolution in the General Body passed by a three-fourths majority of all the members present and voting if: -

- a) He has acted against the interest of the Society; or
- b) His continuance as a member is detrimental or prejudicial to the functioning of the Society;

Provided that, the member concerned shall not be expelled unless he has been given a reasonable opportunity of being heard in the matter and shall not be effective, unless it is submitted to the Registrar for his approval and approved by him. An appeal against the expulsion can be filed as per the Act/ Rules.

(14) NOMINATION BY MEMBER:

A member of the society may, by writing under his hand in prescribed form, nominate a person or persons, to whom the whole or part of the shares and /or interest of the member in the capital/property of the society shall be transferred in the event of his death. No fees shall be charged for recording the first nomination. A member may revoke or vary his nomination at any time by making an application in writing under his hand to the Secretary of the society. Every fresh nomination shall be charged a fee of Rs. 50/- (Rupees fifty only). In case no nominee is designated, the nominee will be as per the extant succession law.

(15) TRANSFER OF SHARE AND INTEREST: A member shall not transfer any share held by him, or his interest in the capital or property of any society, or any part thereof, unless —

- (a) He has held such share or interest for not less than one year;
- (b) The transfer or charge is made to the society, or to a member of the society, or to a person whose application for membership has been accepted by the society;
- (c) The Committee has approved such transfer.

**CHAPTER IV**  
**CAPITAL AND FUNDS**

**7. FUNDS AND RESOURCES:**

The Society shall ordinarily obtain funds from the following sources:

1. Admission fee
2. Share Capital
3. Borrowings
4. Deposit
5. Reserve and Surplus
6. Grants and subsidies
7. Donations
8. Income from business activities

(i) **ADMISSION FEE:** The Society shall collect an admission fee of Rs. 100/- (Rupees one hundred only) from both "A" class and "B" class members. The admission fee is non-refundable.

(ii) **SHARE CAPITAL:**

a) The authorised share capital of the Society shall be ₹5,00,000/- (Rupees Five Lakhs only), divided into 1,000 (One Thousand) shares of ₹500/- (Rupees Five Hundred only) each.

b) Each share shall be of the face value of ₹500/- (Rupees Five Hundred only), and the entire value of the shares subscribed shall be payable in lump sum at the time of allotment by the members.

c) The dividend on the share capital held by the members shall be distributed in accordance with the resolution passed by the General Body, subject to the maximum limit prescribed under the applicable provisions of the Act and Rules made thereunder.

(iii) **BORROWINGS AND MAXIMUM BORROWING POWER OF SOCIETY:**

The Society should borrow funds from the State Co-operative Bank only. It can borrow from any other financial institution with a NOC (No Objection Certificate) of the State Co-operative Bank to meet its financial requirements. The maximum outstanding borrowings shall not at any time exceed ten times the paid-up share capital, Reserve Fund and building fund minus accumulated losses.

(iv) **RESERVE AND SURPLUS:**

The Society shall appropriate 25 % of the net profit every year towards its Reserves and Surplus Fund. The Reserve Fund of the Society shall belong to it as a whole, and no member shall have any claim to a share in it. Such reserve fund may be used in the business of the society or may, subject to the provisions of section 63, be invested, as the Administrator may by general or special order in writing direct, or may, with the previous sanction of the Administrator, be used in part for public purpose likely to promote the objects of this Regulation, or for such other purpose of the Union territory or of local interest.

(v) **GRANTS AND SUBSIDIES**

The Society can receive grants and subsidies from the Government and other agencies.

(vii) **DONATION**

The Society can receive donations from its members/the Government, and other agencies for specific purposes.

(viii) **EDUCATION FUND**

When the Society declares a dividend to its members out of the current year's profit, the Society shall credit annually one per cent of the net profit to the education fund, maintained by the Registrar.

## CHAPTER V

### MANAGEMENT OF SOCIETY

#### 8. GENERAL BODY

(1) The final authority in the Society shall vest in the General Body. The General Body of the Society shall consist of the following:

- a) All "A" class members/shareholders of the Society;
- b) Nominees of the Union territory Administration/Registrar;

(2) Without prejudice to the other provisions of the Byelaws, the General Body shall have the following powers and duties: -

- a) Take note of the result of the Election of the Board of Directors conducted by the Co-operative Election Authority/Officer in accordance with the procedures laid down in the Act and Rules.
- b) Consideration of the annual report of the Society, At every annual general meeting of a society, the Committee shall lay before the society a balance sheet and profit and loss account for the year prepared and presented by the Board with respect to the state of the society's affairs, the amounts, if any, which it proposes to carry to any reserve either in such balance sheet, or any specific balance sheet and the amounts, if any, which it recommends for payment by way of dividend, bonus, or honoraria to honorary workers;
- c) Consideration of the latest audit report and compliance thereof, and the audited statement of accounts;
- d) Approval of Annual budget;
- e) Consideration of the report of Inspection and Enquiry, made in accordance with provisions of the Act and Rules, if any;
- f) Appropriation of net profits as per Section 58 of the Regulation
- g) Creation of specific reserve and other funds, and reviewing the actual deployment of other funds;
- h) Amendment of Byelaws, if any;
- i) Expulsion of a member, if any;
- j) Transaction of any other business with the permission of the President of the General Body Meeting;
- k) To fix transfer fees in case of transfer with consideration;
- l) To fix maintenance fees/charges per House, bungalow, plot or Flat/Shop/Office/-Commercial premises with norms and conditions;

(3) The General Body shall meet from time to time for the transaction of business, and such meetings shall be called the General Body Meetings and shall be of three kinds.

- a) Annual General Body Meeting
  - i) The annual general body meeting shall be held within 6 months of the closure of the financial year.
- b) Special General Body Meeting
  - i) A Special General Body meeting may be convened by the Board at any time during the year, if it feels appropriate for a special purpose.
- c) Requisitioned General Body Meeting

i) A Requisitioned General Body Meeting shall be convened by the Board within one month of a requisition in writing of one-fifth of the "A" class members of the society, on a requisition from the Registrar; or on a requisition from the Committee of the federal society where the society is a member of that federal society.

ii) A requisition as mentioned above shall be addressed to the President and shall state the need for the meeting and the proposed agenda.

iii) If on receipt of the requisition, the Board fails to call the General Body Meeting within one month of a requisition, the signatories to the requisition may refer the matter to the Registrar, who may, if he thinks fit, convene the General Body Meeting or authorise a person to call such Meeting.

(4) At least 15 clear days' notice, specifying the date, place, time and agenda of the Annual General Body Meeting, shall be given to all members. Whereas for a Special General Body meeting or A Requisitioned General Body Meeting, at least 7 clear days' notice shall be given to all members. The notice of a General Body Meeting may be given in one or more of the following modes:

- a) affixing a copy of the notice at the Society's office or at some conspicuous place in the area of operation of the Society;
- b) circulation of the notice book and getting signatures of members on it;
- c) post;
- d) digital mode like email, WhatsApp, etc.
- e) beat of the drum in the area of operation

(5) The quorum for the General Body Meeting shall be one-fourth of the total number of members or 50 members, whichever is less or as provided in the Act and Rules. If at the time fixed for the General Body Meeting convened otherwise than on requisition, if a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall form a quorum.

(6) If the meeting has been called on the requisition of the members and the quorum is not complete, the meeting shall be adjourned, and no further General Body Meeting shall be convened on the strength of that requisition.

(7) The President/Chairman or, in his absence, the Vice President/Vice Chairman shall preside over meetings of the General Body. When both of them are absent, the members present shall elect a Chairman for the meeting.

(8) Every member of the General Body shall have one vote. Voting by proxies shall not be allowed at the General Body.

(9) All questions shall be decided by the majority of votes of the members present and voting. When the votes are equal, the Chairman of the General Body shall have an additional casting vote.

(10) All business discussed or decided at a General Body Meeting shall be recorded in the minute book and shall be signed by the President of the meeting and the SECRETARY of the Society.

## **9. BOARD OF DIRECTORS**

(1) There shall be a Board of Directors of the Society to manage its affairs, and it shall be constituted by election from amongst members of the Society. There shall be a maximum of 21 members on the Board of Directors. There shall be one seat for the Scheduled Caste or the Scheduled Tribe, or the Other Backward Classes and two seats for women in the Board of Directors if having members from such class or category of persons.

(2) No person shall be eligible for election as a member of the Board of Directors of the Society if he:

- (a) is below 21 years of age; or
- (b) is a paid employee of the Society, the Financing Bank/Institution, the Government, or any local body; or
- (c) is convicted of any offence involving dishonesty or moral turpitude; or
- (d) has applied for insolvency or is declared insolvent; or
- (e) is of unsound mind; or
- (f) is in default in the payment of any dues to the Society; or
- (g) holds an office of profit under the Society; or
- (h) is in arrears of shares; or
- (i) is indebted to Society beyond his maximum credit limit; or
- (j) is not a member of the society for the whole of the financial year preceding the financial year in which the election is being held; or
- (k) has not been classified as a non-active member; or
- (l) has at any time lost the right to vote as a member or to continue as a member as specified in the Byelaws; or
- (m) has incurred any other disqualification for being or continuing as a director as specified in the Act, Rules and Byelaws.

(3) The term of office of the Board of Directors and its office bearers shall be 5 years from the date of election.

(4) The Board shall inform the Registrar of co-operative societies and Co-operative Election Authority about the expiry of its term of office at least six months before the expiry of the 5 years term.

(5) At least seven clear days' notice is required for convening the Board of Directors meetings.

(6) Election to the Board of Directors shall be conducted by the Co-operative Election Authority/Officer in accordance with the provisions of the Act and Rules.

(7) The Board shall meet at least once in three months for monitoring the transaction of business of the Society.

(8) A Board meeting shall also be convened on the requisition of a majority of Board members within 7 days of the receipt of such a requisition. The requisition shall be addressed to the Secretary and shall state the need for the meeting and the proposed agenda.

(9) The Board of Directors may decide to induct/ co-opt a maximum of 2 Professional Directors having experience and expertise in the field of Agriculture and allied activities, Food Technology, Banking, Cooperation, Management, Legal, Information Technology, etc., on the Board for proper guidance and advice. The Professional Directors shall be members of the Board, and such members shall be excluded for the purpose of counting the total number of Directors specified in the Act. The Professional Directors shall have no voting right.

(10) In addition to disqualification as per the provisions of the Acts and Rules, a member of the Board shall be disqualified or cease to hold office if he;

- a) ceases to be a shareholder of the Society; or
- b) has applied for insolvency or is declared insolvent; or
- c) is convicted of any offence for dishonesty or moral turpitude; or

- d) holds any office or place of profit under the Society or receives any honorarium; or resigns and his resignation is accepted by the Board; or
- e) absents himself from three consecutive meetings of the Board of Directors without permission of the Board; or
- f) defaults in the payment of any dues to the Society; or
- g) becomes a paid employee of the Society or Financing Bank, or Government, or any local body; or
- h) fails to pay any arrears of shares; or
- i) incurs debt from the Society in excess of his maximum credit limit; or
- j) is presently engaged directly or indirectly in any private business, trade or profession of any description which is similar to the business carried on by the Society; or
- k) has been penalised for offences under the Act & Rules; or
- l) has lost the right to vote as a member under the Act/ Rules/ Byelaws; or
- m) has at any time been expelled from Society or any other Society within two years.
- n) has any interest directly or indirectly in any subsisting contract made with the society, or in any property sold or purchased by the society, or in any terms of the society accepted in any investment made in.

(11) If a Director of the Board absents himself from three consecutive meetings of the Board without the permission of the Board, he shall cease to be a member of such Board. This fact shall be intimated to the member concerned, and it shall be reported by the Secretary/President/Chairman in the next meeting of the Board, with the reply received from the member. It shall be open to the Board to reinstate such member, provided that a requisition in writing is received from such a member and provided also that he shall not be reinstated more than once during the term of the Director. If the President or Vice President so loses his seat in the Board and if he is not reinstated by the Board at its next meeting, he shall cease to be the President or the Vice President, as the case may be and cease to be a Director.

(12) A Director of the Board shall also cease to hold office or become ineligible to contest for election or co-option as a Director of the Board if, on an enquiry and Certification by the Registrar as per the Act, he is found:

- a) guilty of misuse of his position or property of the Society for his personal gain;
- b) responsible for making any appointment to any post in the Society in contravention of the relevant Services Rules and regulations;

(13) The members of the Board shall elect from amongst themselves the President and Vice President. Such an election shall be conducted by the Co-operative Election Authority.

(14) The quorum of the Board meeting shall be maintained by the attendance of at least one-half of the total number of members of the Board. The President or the Vice President, or in his absence, a member elected by those present in the meeting, shall preside over the Board Meeting. Unless otherwise provided by these Byelaws, all matters shall be decided by a majority of votes in the Board meeting. Each member shall have one vote. In case of equality of votes, the President shall have an additional casting vote.

(15) The Board shall exercise all the powers and discharge all the duties of the Society subject to the superintendence and control of the General Body, except those specifically reserved for the General Body, subject to any regulations or restrictions duly laid down by the Society in a General Body Meeting or in the Byelaws. In particular, the Board of Directors shall have the following powers and duties:

- (i) to act, in all their transactions, as per the relevant provisions under the Act/ Rules/ Byelaws;
- (ii) to maintain true and accurate accounts in respect of all money received and expenditure made and all stock bought and sold by the Society;
- (iii) to prepare a true account of the assets and liabilities of the Society;
- (iv) to prepare an annual report on the work of the Society, an annual statement of accounts including Balance Sheet, profit and loss account and trading account for submission to the Annual General Body Meeting;
- (v) to prepare a statement of accounts required for Audit and to place those along with relevant vouchers and other related papers before the Auditor;
- (vi) to examine the accounts, sanction contingent expenditure and ensure maintenance of the prescribed registers;
- (vii) to consider the Inspection Report of the Registrar and the Financing Bank and take necessary action and ensure submission of compliance report to the relevant Authority;
- (viii) to admit new members and allot shares;
- (ix) to give directions to the Secretary to convene General Body Meetings in accordance with the Byelaws;
- (x) to fix the maximum borrowing power of Society in consistency with these Byelaws/ Rules/ Act;
- (xi) to assist in the Inspections of the Books and Accounts and audit by any person authorised to do so;
- (xii) to create and appoint, from time to time, different categories of employees subject to approval of the Registrar Cooperative Societies, to assist the Society in the performance of its duties and discharge of its functions after approval of the Society's staff schedule from the Registrar. The qualification and condition of service of Officers and other employees shall be decided as per Human Resources Policy or Service Rules of the Society as approved by the Board of Directors.
- (xiii) to engage skilled manpower/consultants on a hire basis;
- (xiv) to take disciplinary action against employees;
- (xv) to ask the employees to furnish securities as may be prescribed from time to time by the Registrar, and to arrange verification and safe custody of the security deeds;
- (xvi) to authorise any member, officer or employee of the Society or any other person specially authorised, to institute, conduct, defend, compromise, refer to arbitration or abandon legal proceedings by or against the Society or Board or officers or employees concerning the affairs of the Society.
- (xvii) to acquire on behalf of the Society, shares in other Cooperative societies;
- (xviii) to arrange for the safe custody of books and records, cash, equipment, goods and stocks of the Society and to fix specific responsibilities of the employees in this regard;
- (xix) to accept the resignation of the Board members and, in case of acceptance, to arrange to fill the resultant vacancy through election for the remaining period of its term in accordance with the procedure laid down in the Act, Rules and Byelaws;
- (xx) to invest the surplus funds of the Society in accordance with the Act and Rules framed thereunder;

- (xxi) to purchase, sell, hire or otherwise acquire or dispose of property on behalf of the Society;
- (xxii) to nominate representatives to represent the Society in other forums and organisations;
- (xxiii) to carry on the business of the Society as decided and entrusted by the General Body of the Society.

(16) The Board of Directors may constitute sub-committees such as the Finance and Audit Committee, Recruitment/ Selection/ Appointment Committee, Youth/ Women Committee, etc., and determine their powers and functions. The fee and allowances to be paid to the members of the committee shall be such as may be prescribed by rule 52. All the decisions/resolutions taken in the Sub-committee are suggestive/recommendatory in nature and will only be acted upon after approval in the Board of Directors Meeting.

(17) In the conduct of the affairs of the Society, the Board of Directors shall exercise prudence and due diligence and shall be responsible for any loss sustained through acts contrary to the Act/ Rules/Byelaws and the stated objectives of the Society.

(18) All business discussed or decided at a meeting of the Board of Directors shall be recorded in a minute book, which shall be signed by the President of the meeting, members of the Board present and the Secretary within the time frame given in the Act/ Rules/ Byelaws.

(19) The services of the Board shall be honorary or gratuitous. The Directors shall be paid such sitting fee, DA or T. At Rs. 100 or more per person per day, as may be decided upon by the Board and approved in the General Body of the Society, but not more than that fixed by rule 52.

#### **10. PRESIDENT AND HIS POWERS:**

- (1) The President shall be elected from amongst the members of the Board of Directors.
- (2) The President shall exercise general control and supervision over the administration, business, and functions of the Society on behalf of the Board.
- (3) The President shall exercise the powers delegated to him by the Board and may, subject to approval of the Board or in an emergency, delegate any of his powers and duties to the Vice President or, in his absence, to any Director for a specified period and may withdraw any powers so delegated.
- (4) The President shall have the power to call for any record of the Society or any report from the Secretary to satisfy himself that the affairs of the Society are being managed in accordance with the provisions of the Act/ Rules/ Byelaws.
- (5) The President shall not act in contravention of any order given or decision taken by the Board in its meeting.
- (6) The President shall preside over the meetings of the General Body and the Board of Directors. The President shall exercise his casting vote only when there is an equality of votes.

#### **11. SECRETARY – DUTIES AND RESPONSIBILITIES**

- (1) The Secretary, by whatever name may be called, shall be appointed by the Board of Directors to look after the day-to-day affairs and administration of the Society as per the Act/ Rules/ Byelaws. He should possess the necessary educational qualification, experience and training as decided in the Staff Service Rules of Society by the Board of Directors.
- (2) The Secretary shall discharge the following duties and responsibilities:

- a) to convene, as per the direction of the Board, General Body and Board of Directors meeting in time;
- b) to remain present in all meetings of the Board and General Body and produce all relevant papers, documents required at such meetings and sign along with the President, the minutes of such meetings;
- c) to record the proceedings in the minute book and make all entries transacted in the meetings;
- d) to make payment and receive all money on behalf of the Society and issue a receipt as per the direction of the Board;
- e) to maintain and keep all books of accounts and registers in accordance with rules;
- f) to operate Bank Account subject to such conditions as the Board may direct;
- g) to prepare a statement of demand, collection balance regarding advances;
- h) to prepare receipts, vouchers, etc. for the financial transactions of the Society;
- i) to correspond on behalf of the Society and supply necessary information to members;
- j) to maintain control over the subordinate staff of the Society;
- k) to sign cheques and documents along with the president in accordance with provisions of the Byelaws;
- l) to spend money for the Society in accordance with the sanction limit provided by the Board;
- m) to act as per the directions of the Board;
- n) to run the day-to-day operation.
- o) to keep records of movable goods under his custody or other officers' custody as nominated by the Board of Directors;
- p) to enter into any agreement for the Society with the permission of the Board;
- q) to perform/execute any job or assignment as per the direction of the Board.

## **CHAPTER VI**

### **INTERNAL CONTROL**

#### **12. MAINTENANCE OF BOOKS AND ACCOUNTS AND REGISTERS**

- (1) The following registers and books shall be maintained by the Society:
  - A) Books related to financial statements
    - a) Cash book
    - b) Bank book
    - c) Daybook
    - d) General ledger
    - e) Share capital ledger
    - f) Sundry creditor ledger
    - g) Sundry Debtors ledger
    - h) Furniture, fixture and office equipment register
    - i) Land and building register
    - j) Depreciation chart register
    - k) Stock register
    - l) Purchase register
    - m) Suspense asset ledger

- n) Suspense liability ledger
- o) Dividend register
- p) any other ledger/register as may be required.
- B) Books not related to the Financial Statement
  - a) Copy of the Society Byelaws
  - b) Copy of Regulation and Rules with up-to-date amendments incorporated
  - c) Copies of other laws and regulations of the business undertaken by the Society
  - d) Membership register
  - e) Up-to-date register and list of all members with voting rights for the current year, prepared within 30 days of the closure of the financial year
  - f) Copies of the audit report, inquiry report or inspection report and compliance thereon
  - g) Minute book
  - h) Account opened and closed register
  - i) Insurance policy and renewal register
  - j) Suits filed register
  - k) Staff attendance register
  - l) Staff service rules
  - m) Overdue/NPA register
  - n) Borrowing due date register
  - o) Investment and maturity register
  - p) any other accounts and books as specified in rule 113

(2) The books, records and registers of the Society shall be kept in the custody of the Secretary or such other Officer as the Board may authorise in the absence of the Secretary.

(3) In the absence of the Secretary, the Board shall specify the officer of the Society who shall:

- a) maintain books of accounts;
- b) keep custody of cash and stores;
- c) keep other books and registers; and
- d) prepare returns and financial statements. Provided that a person assigned to keep accounts shall not be in charge of cash.

(4) The books and accounts and other records shall be open for perusal by any members of the Board of Directors during the business hours of the Society.

(5) Every member of a society shall be entitled to inspect, free of cost, at the society's office during office hours, or any time fixed for the purpose by the society, the Regulation, the rules, and the bye-laws, the last audited annual balance sheet, annual audit report, the profit and loss account, a list of the members of the Committee, a register of members, the minutes of general meetings, and those portions of the books and records in which his transactions with the society have been recorded. The society shall furnish to a member, on request in writing and on payment of the fee, other charges for supplying the information and the manner of payment shall be such as prescribed under the provisions of the Right to Information (Regulation of Fee and Cost) Rules, 2005. The society shall appoint any officer or officers as it deems fit as Co-operative Information Officer, for the purpose of discharging these functions.

(6) The Society shall maintain such accounts and other matters related to accounts in such form and manner as may be directed by the authority competent to do so under the Act/ Rules.

(7) The Society shall prepare and submit such returns and statements as the concerned authority may require from time to time.

### **13. AUDIT OF THE SOCIETY**

(1) The Society shall be audited every year by the Auditor appointed for the purpose by the Registrar.

(2) The Society shall prepare the statement of account required for audit and place the same before the Auditor or Audit firm, as the case may be, after signing the Balance sheet and Profit & Loss Account by the President and the Secretary of the Society within 45 days of the close of each year to facilitate a complete audit. The audit rectification report shall be submitted to the Registrar within two months from the date of the audit report

(3) The Board of Directors may appoint an Internal Auditor based on the turnover or volume of business of the Society. The Internal Auditor may be from amongst staff or may be outsourced for regular internal control and monitoring of funds and accounts management of the Society.

(4) The Society shall pay such audit fee as may be assessed from time to time by the Authority competent to do so.

## **CHAPTER VII**

### **APPROPRIATION OF PROFITS**

(1) The society shall calculate its annual net profits by deducting from the gross profits for the year,

- i. all accrued interest that is overdue for more than three months;
- ii. establishment charges;
- iii. contributions, if any, towards the provident fund and gratuity fund of its employees;
- iv. interest payable on deposits;
- v. audit fees;
- vi. working expenses including repairs, rents, taxes and depreciation;
- vii. provision for or writing off bad debts and losses not adjusted against any fund created out of profits;

(2) The society may appropriate its profits in the following manner:

- i. 25% reserve fund;
- ii. payment of dividends to members on their shares;
- iii. to contribute to the educational fund as the Administrator may, by notification, specify;
- iv. for payment of honoraria, and to any other purpose which may be specified in the rules or bye-laws.

(3) The remaining profit shall be distributed as follows:

## **CHAPTER VIII**

### **DISPUTE OF SOCIETY**

#### **14. DISPUTE SETTLEMENT PROCEDURE**

Any dispute touching the constitution, business and management of the Society arising between the members, past members and deceased members of the Society or other persons shall be settled in accordance with the relevant provisions of the Cooperative Societies Act, and the Rules framed thereunder and shall be disposed of in the manner prescribed under such Act and the Rules.

## **CHAPTER IX**

### **LIQUIDATION OF SOCIETY**

#### **15. LIQUIDATION**

- (1) The Society may be dissolved or liquidated in accordance with the provisions of the Act.
- (2) In the event of dissolution of the Society, any surplus funds remaining after fulfilment of all external liabilities shall be utilised as per section 122.

## **CHAPTER X**

### **MISCELLANEOUS**

#### **16. MISCELLANEOUS**

- (1) If the Society is indebted to a Cooperative Central Financing institution, it shall be competent for a representative of the latter to inspect the books and the record of the Society, and the Board of the Society shall arrange the production of the books and record before such representatives.
- (2) Should any doubt arise about the interpretation of any of the Byelaws, the matter shall be referred to the Registrar, whose decision shall be final in accordance with the Act and Rules.
- (3) The common seal of the society shall be in the custody of the Secretary of the society and shall be used under the authority by means of a resolution of the Committee and the deeds of conveyance, share certificates or any other documents, to which the seal is affixed on behalf of the society, shall be attested by the Chairman, Secretary and one member of the Committee authorized by the Committee in that behalf.
- (4) In case of any conflict or inconsistency between the Act & Rules and Byelaws of this Society, the provisions of the Act & Rules shall have overridden effect.
- (5) Every year, within six months of the closure of the accounting year, every society shall file the following returns with the Registrar, namely: -
  - (a) annual report of the activities;
  - (b) audited statements of accounts;
  - (c) plan for surplus disposal as approved by the general body;

- (d) List of amendments to the bye-laws of the society;
  - (e) declaration regarding date of holding of general body meeting and conduct of elections where due;
  - (f) any other information required by the Registrar in pursuance of any of the provisions of this Regulation.
- (6) When the new Committee is elected, the secretary of the outgoing Committee shall prepare the list of papers and property of the society in his custody and hand over the charge thereof to the Outgoing Chairman. The retiring Chairman shall hand over charge of the office of the Committee and all papers and property of the society, in his possession, to the Chairman of the new Committee.

These Model Bye-Laws are issued with the approval of the Registrar of Cooperative Society, Dadra & Nagar Haveli and Daman & Diu, conveyed vide approved Diary No. 1533538, Dated:- 12/05/2026

Sd/-  
Registrar  
Co-operative Societies  
Dadra and Nagar Haveli and Daman and Diu