

of the Registrar.

(3) With the sanction of the Committee a member may be exempted from the obligation to deposit, for any period during which his circumstances do not permit of such payment.

XII. LOANS

34. Loans may be granted to a member for any necessary purpose but they shall not be granted for extra vagant or speculative purpose. Loans for productive purposes shall receive preference over others. No loans shall be made to a member within a month of his admission but this does not apply to the transfer of an existing loans of a past member to his nominee on his admission or other successor in interest who is or is admitted as member of a society. No loan shall be advanced to a member not making monthly saving deposit. All applications for loans shall be submitted to the Secretary with a clear and true statement of the purposes for which they are required, and they shall be deal with by the committee at their next meeting according to their discretion. The committee is not bound to give any reason for rejections a loan application.

The borrower shall execute a bond and shall furnish surety or sureties as laid down in subsequent bye-laws.

All sureties must be members of the society and must have furnished the declaration required in bye-law 25 (22).

35. (1) All loans shall be granted within the maximum credit limit of member at the discretion of the committee on security of one or more sureties and shall not exceed 10 times the value of a member's paid up shares or Rs. 10,000/- whichever is less. *will bear*
- (2) Ordinary not more than 1/2 of the Capital of the society shall at any time be invested in loans or collateral security and such loans shall be subject to rules framed by the society and approved by the Registrar and subject to any other instructions issued by him from time to time. *Antesuya (Two thousand)*
- (3) In emergent cases, the Committee may grant to any member a loan, within his maximum credit limit without security not exceeding Rs. 5,000/- in aggregate provided the amount thus advanced is covered by the amount of shares and savings deposits on the member's credit. Such loans shall be repaid within 20 months. *bear int.*
- (4) Special loans irrespective of a member maximum credit limit and without personal security may be granted at the discretion of the committee against :
- a) fixed deposit of a member with the society upto 90% of the deposits at a rate at least one per cent above his deposit rate.
- (5) Cash credit loans may be granted to selected members. Such loans shall be subject to rules framed by the Society and approved by the Registrar.
- (6) Valuation of property mortgaged or pledged with the society shall be revised annually by the Committee. All such property shall be insured to its market value against fire and theft.

36. Loans shall be repaid in such number of monthly instalments as may be fixed by the committee upto maximum of 60 The committee may suspend repayment of any instalments for one or more months on sufficient cause being shown and may there by extend the time of total payment by a period not exceeding six months.

Loans granted for a period of less than three months may be repaid in 3 instalments.

37. If the Committee find that the security for an outstanding loan has become in-sufficient or that the borrowers material position has weakened, they shall call in the borrower to provide satisfactory security and in default shall call in the loan at once, the loan shall also be called if the Committee find that it has not been applied to the purpose for which it was taken.

38. A member's commitment as surety shall not exceed an additional amount equal to his maximum credit limit. Unavailed portion of a member's credit limit may be added to increase the limit upto which he may stand as surety. When a member has stood surety for an additional amount owing to his maximum credit limit, not being fully drawn, he may not draw further against his maximum credit limit until his liability as a surety has correspondingly decreased.

Antesuya