



BYE - LAWS

GULLY MOVIEZ
MUTUALLY AIDED
COOPERATIVE SOCIETY Ltd.



Vijayawada

GULLY MOVIEZ MUTUALLY AIDED COOPERATIVE SOCIETY LTD

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GENERAL

1. NAME AND ADDRESS OF THE SOCIETY:

- I. The Society shall be named as the “**Gully Moviez Mutually Aided Cooperative Society Ltd**”,
- II. The Society shall also be called in the name and style of “**Gully Moviez**”
- III. The Society shall be registered under the Andhra Pradesh Mutually Aided Cooperative Societies Act, 1995 with limited liability and shall be a corporate body with perpetual succession, common seal and with powers to hold property, to enter into contracts, to sue and to be sued.
- IV. It shall have its Registered Office at Vijayawada with the following address: - Door No: - 61-5-17A, 2nd Lane, Balaji Nagar, Vijayawada-520013.
- V. The Area of Operations of the society in the NTR District of Andhra Pradesh.

VI. DEFINITIONS:

Words and expressions appearing in these Bylaws shall have the following meaning unless the context otherwise specifies,

- a. The word “ACT” means A.P. Mutually Aided Co-operative Societies Act, 1995.
- b. “GOVERNMENT” means the Government of Andhra Pradesh.
- c. “REGISTRAR” means the Registrar of Mutually Aided Cooperative Societies, or any person on whom the powers of Registrar are conferred under the Act.
- d. “MEMBER” means person admitted as a member of the Society.
- e. “SOCIETY” means The GULLY MOVIEZ Mutually Aided Cooperative Society Ltd., Vijayawada.
- f. ‘BYELAWS’ means the registered Bylaws of the Society under APMACS Act 1995 as originally framed or as altered from time to time in pursuance of the Act.
- g. BOARD” means the Management Board (MB) of the Society.

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- h. "DIRECTOR" means a Director of the Management Board.
- i. "General Body (GB)" in relation to the Cooperative Society means all the eligible members of the Cooperative Society including the representative general body referred to in Section 20 of the Act.
- j. "General Meeting" means a meeting of the General Body.
- k. "OFFICE BEARERS" means an individual elected by the General Body or Board of the Society to any office of it in accordance with The Byelaws.
- l. "OFFICE" means the organizational set up established at the Registered Office of the Society for its day-to-day Administration.
- m. "OFFICE IN CHARGE" means the paid employee designated to supervise and administer the work of the office.
- n. "Chief Executive Officer (EO)" means the officer appointed by the Board to be in charge of the Office, if any.
- o. "CO-OPERATIVE PRINCIPLES" means the Cooperative principles specified in section 3 of the Act.
- p. "LIMITED LIABILITY" means the limit of the liability of member of the Society for the debts of this Society in the event of its being wound up is limited.
- q. "COOPERATIVE TRIBUNAL" means the Tribunal constituted under Section 32 of the Act 1995.
- r. "Delegate" means a member nominated by a Cooperative Society to represent its interest in a federation.
- s. "Federation" means a mutually aided Cooperative Society registered under Section 4 of the Act, whose members are Mutually Aided Cooperative Societies.
- t. "DEFICIT" means the net excess of expenditure over income.
- u. "Surplus" means the net excess of the income over the expenditure.
- v. "FINANCIAL or ACCOUNTING YEAR" means the period of 12 months as provided in the Byelaws of the Society.

2. OBJECTIVES OF THE SOCIETY: -

The main objective of the Society is to promote the economic and social development by mutual aid of its members in the activities of Film Making, such as to create facilities for film making, production of movies, media works, providing training or infrastructure support to the films or digital media and to create a platform for its members to assemble all 24 Crafts

{1. Story and Screen play

2. Cast and Crew

3. Production

4. Direction

5. Cinematography

6. Music

7. Stunt Direction

8. Choreography

9. Art Direction

10. Editing

11. Dubbing

12. Still Photography

13. Make-up

14. Costume Designing

15. Publicity Designing

16. Audiographer

17. Junior Artists

18. Junior Artist Agent

19. Outdoor Lighting and technical

20. Studio workers

21. Drivers and Catering

22. Production Assistance

23. Production Executives

24. Production Women} of Film Making at one place in accordance with Co-operative principles.

MEMBERSHIP

3. Membership: eligibility, ineligibility, procedure for admission/for retaining:

A. ELIGIBILITY:

Every citizen of India and opt ultimately comes down in the area of operation of the Society and having interest in any of the 24 crafts of film making such as 1. Story and Screen play 2. Cast and Crew 3. Production 4. Direction 5. Cinematography 6. Music 7. Stunt Direction 8. Choreography 9. Art Direction 10. Editing 11. Dubbing 12. Still Photography 13. Make-up 14. Costume Designing 15. Publicity Designing 16. Audiographer 17. Junior Artists 18. Junior Artist Agent 19. Outdoor Lighting and technical 20. Studio workers 21. Drivers and Catering 22. Production Assistance 23. Production Executives 24. Production Women and desirous of utilizing the services of the Co-operative Society shall be eligible to be admitted as a member of the Society provided that person is not a minor, not a member of a similar Society and sound in mind. The individual shall agree to the conditions laid down in the byelaws of the Society.

B. INELIGIBILITY:

An applicant to the membership of the Society shall not be eligible to be admitted as a member in case he / she

- a. is having film production house or company in his name
- b. adjudicated as insolvent or an undischarged insolvent,
- c. sentenced for an offence,
- d. member of other society providing similar services
- e. expelled from membership of another Society.

C. ADMISSION:

- i. The Person desiring to be a member of the Society shall apply for membership on the prescribed Application and declaration Form of the Society available in physical or online form, along with a Demand Draft or online or UPI payment or for such amounts as specified.

- ii. A Demand draft or Bankers Cheque or Online payment for a minimum of Rs.1300/- i.e., towards the value one share i.e., Rs.1000/- and admission fee of Rs.300/- for each share. The admission fee is non-refundable.
- iii. The applicant shall submit attested copy of any of the documents approved by the management Board as the identity proof and proof of address along with application.
- iv. The Society office shall receive such applications, in case admission for membership is open, and scrutinize it for its admissibility. In case the Application is in order, it shall recommend it for consideration of the Management Board.
- v. The Management Board shall examine these applications at its meeting and declare the applicant as admitted or not admitted.
- vi. In case an applicant not admitted, the Board shall specify the reasons for non - admission and inform the applicant within 60 days from the date of the application.
- vii. The Governing Body shall decide when to admit new members to the Society from time to time.

D. SHARE CERTIFICATES:

- i. Share certificate duly signed by the President of the Society and with the seal of the Society shall be issued to every member for the number of Share subscribed by him/her after he/she makes full payment to the society for the value of such shares.
- ii. In case a share certificate is lost or destroyed, a duplicate certificate may be issued after giving such publicity of the facts as may be considered necessary by the Board of Directors. In case any objection is raised, it will be considered by the Management Board, whose decision in this regard shall be final.
- iii. In case a certificate is torn out or damaged, the Board may order the same to be cancelled and issue a duplicate certificate in lieu thereof on surrendering the worn out or damaged certificate.

- iv. For every duplicate certificate issued under this Bye-Law a fee of Rs. 500/- shall be collected.

E. TRANSFER OF SHARES:

- i. No member shall be permitted to transfer his shares or create a charge in respect of the same in favor of another person.
- ii. If a member dies, his membership shall cease ipso-facto. Every member may nominate a person or persons to whom in the event of death, the value of his share of interest in the profits of assets of the Society or any other money due to him shall be transferred or paid to the nominees.
- iii. When a member nominates more than one person in respect of share held by him/her, shall, as far as possible, specify the number of shares, in wholenumber to be transferred or paid to each nominee.
- iv. A nomination made by a member or any variation or provocation there of shall not be valid and shall not, on the event of the death of the member, have effect unless.
 - a. It is made in writing and signed by the member in the presence of at least two witnesses.
 - b. It is entered in the Books of the Society kept for the purpose.
 - c. The member indebted or is liable as surety to another member who is indebted to the Society.
 - d. The transferee does not fulfill the conditions prescribed under the bye- laws.

F. NOMINATION:

- i. A member may nominate a person or persons to receive the member's interest in the Society after his death. Nomination shall be made in the prescribed form and entered in the special register kept at the registered office of the Society.

- ii. Nomination can be revoked and fresh nomination made any number of time after giving due intimation in writing to the Society and on payment of prescribed fee of Rs. 25/- for every subsequent nomination.

G. RETAINING MEMBERSHIP:

A Member who at any time cease to fulfil the conditions that are required for admission and one who loses the right to vote for 3 consecutive years, loses the right to remain a membership.

H. LIEN OF SHARES, INTEREST ON SHARES, PATRONAGE DIVIDEND AND DEPOSITS:

The Society shall have the first and paramount lien on charge upon all the shares, interest on shares, patronage dividend and deposits of any member or past member for all money due from him to the Society or as a surety guarantor on behalf of any borrower. The Society may at any time set off any sum credited by or payable by a member or past member towards payment of any liability of such member or past member or borrower.

I. REGISTER OF MEMBERS:

The Society shall maintain a Register or a computer file of all the members of the Society, as on date.

J. ELIGIBILITY TO VOTE:

- a. Every member not declared as ineligible or disqualified shall have the right to vote provided the member conform to the minimum performance norm, not a defaulter of dues and in possession of the photo identity card issued by the Society.
- b. The General body shall frame the rule and eligible conditions for exercise of vote from time to time.
- c. To exercise the Right of Vote, provided that a person shall have been a member for at last one year before being eligible.

- d. The above point mentioned in 3.J.c shall not apply to the promoter, member in the first year of registration of a Cooperative Society.

4. Membership: withdrawal, cessation, termination

A. WITHDRAWAL AND CESSATION OF MEMBERSHIP:

- a. A member may voluntarily withdraw from the membership by submitting an application in the specified form, after satisfying all obligations and dues outstanding on his own account and as a guarantor.
- b. In case, a member ceases to be eligible for membership of the Society, his or her name shall be deleted from the list of members and shall pay back, within a reasonable period, to such member, the share capital already paid by him/her, with dividend declared, if any, after deducting dues to the Society if any.
- c. A member who fails to remit the contributions due to the Society and becomes a defaulter for more than 3 years in spite of repeated reminders shall automatically cease to be a member of the Society in case the member does not comply with this provision even after being given an opportunity to pay.

B. DEATH OF A MEMEBR:

- a. On death of a shareholder, the Society shall pay to the person or person nominated a sum representing the value of the shareholders interest in the Society within 2 months from date of receipt of claim by the nominee or nominees of the deceased shareholder. In the absence of any nomination, the legal heirs, of the deceased are entitled to get the benefits and share amount of the deceased.
- b. Each such Claim shall be entertained in case it is made with in 5 (five) years from the dated of demise of the members. The unclaimed amounts shall be credited to the Society funds.

C. DISQUALIFICATION OF A MEMBER:

The Membership of member shall cease

- i. On his acquiring any of the ineligibility mentioned in Bye law No 3.B and or
- ii. On his expulsion by the General Body for activities detrimental to the interests of the society.
- iii. On his resignation to the membership of the society
- iv. A disqualified member shall not be eligible to contest or vote till disqualification revoked.

D. EXPULSION OF A MEMBER:

The Board of Directors or General Body may terminate a member, if he is a defaulter in payment of dues to the society or who indulge in activities harmful or detrimental to the interest of the Society duly giving an opportunity to defend his/her case. However, such decision of the Board of Directors shall be reported to the General Body for its ratification at the succeeding General Body Meeting.

5. SERVICES TO BE PROVIDED TO MEMBERS:

ACTIVITIES AND SERVICES:

Broadly, the activities of the Society and the Services that will be rendered by It shall be as under:

- a. To produce, buy, sell, import, export or otherwise deal in cinematographic films, television films, video films and video cassettes.
- b. To establish, construct, purchase, take on lease or hire or otherwise acquire and maintain and to sell, give on lease or hire studios, laboratories, cinemas, picture places, halls, theatres, etc. for production, processing and printing of films.
- c. To carry on the business of exhibiting and distributing cinematographic films, television films, video films and acquire or selling rights therein.

- d. To act as manufacturers, distributors, purchasers and sellers of all kinds of films and to produce and distribute motion pictures and to act as distributors and exhibitors of motion pictures produced by other companies.
- e. To carry on the business of production, distribution of films and motion pictures, including the running theatres, cinemas, studios and cinematographic shows and exhibitions.
- f. To provide infrastructure facilities to members or others for lease to make films, or dubbing or shooting etc.
- g. To produce trained man-power to members or others for the growing needs of the film industry and television organizations in India, and particularly to organize the in-service training program for television personnel;
- h. To create a new awareness among the members and future workers in film and television of the potentialities of their media not only as means of entertainment but also of education and artistic expression;
- i. To provide a better platform for the Members to actively show their art or skill or work in 24 crafts of filmmaking at one place and to get opportunity to utilize the services of society through their active participation and get opt role in movies to be announced and produced by the society.
- j. The Cooperative society shall provide regular thrift service.
- k. The Cooperative Society may engage in all such other activities which will help fulfil its objectives.

6. MINIMUM PERFORMANCE BY A MEMBER:

Every member shall ensure a minimum performance of service by regularly using the services and attending the meeting of the Society, promptly arranging the payments, participate in its services, vote in elections and contributing a minimum of Rs. 500/-per annum towards a thrift Scheme. The General Body shall frame the minimum performance norms to be adhered by the members from time to time.

7. PENALTY FOR NOT REACHING MINIMUM PERFORMANCE LEVEL

The member whose performance is below the minimum level as per Bye-law No.6 shall forfeit his voting right and he continuously fails to utilize the services of the society for a period of three years continuously he ceases to be a member. The General Body shall have right to lower the minimum performance norms to be adhered by the members from time to time.

8. CONSEQUENCE OF DEFAULT IN PAYMENT DUE:

Apart from the penalties mentioned in the byelaw- 7 above, A member continues to default in payment of dues to the society, society has right to issue to notice to the member regarding the default. If the defaulter fails to pay the dues even after issue of three subsequent notices, membership shall cease. Any amounts due to society from him shall be recovered by initiating legal action against him.

9. RIGHTS OF MEMBERS:

Every member shall have the following rights provided if he/she satisfies the other conditions as specified in the byelaws.

a) Right to vote and contest in the Elections are per the provisions of APMACS Act-1995.

a) To receive interest on share capital and patronage dividend. If any, to be paid on the basis of his / her transactions with the Society.

b) To receive share certificate.

c) Right to participate, and vote in General Body Meeting.

d) Right to see his/her own accounts and not to reveal the personal details of a member to other members or anyone else except to the authorities entitled for such data and subject to the provisions of RTI Act, 2005 and other Acts.

e) Right to receive Annual Statement of Accounts.

f) Receive all services offered by the society on satisfying the required criteria.

10. LIABILITY OF MEMBER:

The liability of a Member shall be limited to the capital represented by the share or share of which such shareholder is the registered shareholder. The liability of a past share holder to the extent of shares as they existed at the time when he ceased to be a shareholder, shall continue for a period of one year from the date of receipt of notice by the Society. The liability of a deceased shareholder shall remain liable to the extent of sums due for a period of one year.

11. AMENDMENT OF BYELAWS:

The Society laid down the procedure for amending the bye-laws;

- a) Society shall give a written notice of the general body meeting to each member at least 20 full days before the meeting;
- b) that the notice will be accompanied by a copy of the proposed amendment; that the notice and the proposed amendment will be displayed on the notice board of the cooperative for all of the 20 days;
- c) that in the case of certain provisions relating to points 1,2,9,10,11, 12,13,14,15,16,17,19,24,29,36 and 37 in our bye-laws are amended, the chief executive should apply, by registered post, for the registration of the amendment, to the Registrar, within 30 days from the date of the resolution amending the provision/s;
- d) that every such application shall be signed by the chairperson, shall mention the date of the meeting at which the amendment was passed, the total number of members eligible to vote on the day of the meeting, the number of members who attended, and the number that voted for the amendment;
- e) and the application shall be accompanied by a copy of the resolution adopting the amendment;
- f) that if within seventy five days of receipt of the application for registration of the amendment, the Registrar sends a copy of the registered amendment with a certificate signed by him, the amendment

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shall come into force immediately, and that if no order of refusal to register the amendment is received in the same period, the amendment will be deemed to have come into force on the seventy-sixth day;

- g) that in case of amendments to all provisions other than those requiring registration, information about the amendment shall be sent by the chief executive to the Registrar exactly as in (d) and (e) above, and the amendment will come into force 30 days after sending information to the Registrar.

GENERAL BODY

12. GENERAL BODY:

A. COMPOSITION:

The General Body shall comprise of the entire set of members admitted to the Society and eligible to vote. In other words, all the members of the Society on its rolls at the time shall be the General Body of the time. Thus, its strength varies from time to time and the Supreme Authority to decide and steer the activities of the Society within the framework of the Act.

B. POWERS: -

It shall be two types, one called as the Annual General Body meeting convened once in a year, preferably on the last Sunday of the month of September of the year and others called as General Body Meetings convened for periodical review and specific purposes with specified agenda.

The Annual General Body convened, annually, shall interalia transact the following matters: -

1. consideration of: -
 - a. the long-term perspective plan and budget
 - b. the annual operational plan and budget
 - c. the annual report of activities of the Society during the year
 - d. the auditor's report and the annual audited statement of accounts.
 - e. special audit's report or inquiry report, if any
 - f. compliance report relating to audit, special audit and /or inquiry, if any
2. Election and removal of Directors
3. ratification of appointment and removal of auditors;
4. disposal of surplus
5. management of deficit
6. creation of specific reserves and other funds
7. review of actual utilization of reserves and other funds

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8. review of the report on the attendance at meetings by directors and review of the business done with the Cooperative Society by the director
9. review of quantum and percentage of services provided (if any) to non-members vis-a-vis services provided to the members;
10. report of activities and accounts related to member education and board and staff training.
11. appointment, reconstitution and disbanding of the representative General Body.
12. remuneration payable to any director or internal auditor in connection with his duties in that capacity or his attendance at related meetings
13. membership of the Cooperative Society in federation
14. collaboration with other organizations and its review
15. promotion of subsidiary organizations and review
16. dissolution of the Cooperative Society; and
17. all other functions expected of the General Body under the other provisions of this Act.

The following, among other matters considered necessary by the board be dealt with by the general body at its annual or any general meeting:

- (a) amendments to bye-laws;
- (b) removal of directors;
- (c) elections/appointments to vacancies on the board;
- (d) removal, and consequent appointment, of auditors;
- (e) membership of the cooperative in secondary cooperatives;
- (f) partnership with other cooperatives;
- (g) amalgamation, division, merger, transfer of assets and liabilities;
- (h) dissolution of the cooperative;
- (i) consideration of the Registrar's report of inquiry.

13. GENERAL MEETINGS:

A. MINUTES:

The proceedings of the Annual General Body as well as other meetings of the General Body shall be prepared in minutes book and circulated to the members by appending them to the Annual Report of the Society.

B. QUORUM:

The minimum attendance at a General Body meeting shall be 1/10th of members on the rolls of the Society on the days of the meeting or a minimum of 1000 whichever is lower.

C. VOTING:

Each member shall be entitled to have only one vote irrespective of the number of shares held by the member,

All questions before the General Body shall be decided by simple majority,

- i. No Votes by proxy shall be allowed
- ii. In case of equal votes, the President shall have a casting vote.
- iii. The decision by the President shall be final and binding on all the members.

D. ADJOURNMENT OF ANNUAL GENERAL MEETING:

- i. In the absence of quorum, within half an hour after the time appointed time for holding of a general meeting, the meeting shall be adjourned to a date to be specified.
- ii. No business other than that business for which a general meeting was called shall be transacted at an adjourned meeting.
- iii. In the absence of quorum within the time fixed for holding an adjourned general meeting the shareholder members present and entitled to vote shall form the quorum.
- iv. The board may at any time call a special general body meeting within 30 days after receipt of requisition in writing from at least 1/10th of the total members or 1/10th of the total members of delegates or on the request of at least 1/3rd of the managing

committee members or at the request of the registrar or at the request of the federation to which the society is as affiliated. The requisition for Special General Body shall State the purpose of the meeting and such meeting shall transact only the subjects in the notice.

- v. If, within half hour after the time appointed for holding a special general meeting, convened on requisition by shareholder members, a quorum is not present, the meeting shall be dissolved.

E. PERIODICITY OF GENERAL BODY MEETINGS:

There shall be no limit on the number of the General Body Meetings to be convened. These shall be as per the requirements to be decided by the Management Board or Members. However, it shall be mandatory to convene at least one General Body Meeting in a Calendar year (from 1st January to 31st December of the year).

F. NOTICE FOR THE MEETING:

The notice for the General Body Meeting shall be issued to each eligible member by certificate of posting besides publishing in Newspapers at least 21 days before the Scheduled date of Meeting and posting it on the Website of the Society, if any.

14. MANNER OF CONDUCTING ELECTIONS:

A. ELECTIONS TO THE BOARD OF DIRECTORS:

- i. The selection of the Board of Directors shall be through secret ballot.
- ii. In the first elections all the Directors shall be elected at a time and their staggered term shall be fixed by drawl of lots specifying different terms.
- iii. The Elections to the casual vacancies arisen due to death or resignation shall also be conducted along with the elections to the Directors specified above. However, the term of the

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Directors elected in the casual vacancy shall be the remaining period of such director post only.

- iv. The settlement of disputes, if any, in this respect shall be as per the provisions of the Act in this regard.
- v. A member who resigns or removed from the position through a no- confidence motion or disqualified as a Director shall not be eligible to sit on the Board or any other committee of the Society for the next five years from the date of resignation or removal or disqualification.

B. ELECTION OF OFFICE BEARERS:

1. Every year after the election of Directors as specified in byelaw No.14 all the members of the management board (Directors) shall elect a President, Vice-President, Secretary, Joint Secretary and Treasurer as the office bearers.
2. The Election of Office bearers shall be conducted by the Election Officer within three days from the date of election of Directors.

MANAGEMENT BOARD

15. SIZE AND COMPOSITION OF THE BOARD:

There shall be a Management Board with executive powers to translate, Implement and executive the policy directions of the General Body and ensure fulfillment of the aspirations of the members of the Society. In other word, it shall be to the body to manage the affairs of the Society.

- a. It shall consist of 15 Directors duly elected by the General Body for the specified periods.
- b. Out of the Fifteen Directors, two posts shall be reserved to women members.
- c. The President and the Directors shall be eligible members of the Society.

16. TERM OF OFFICE OF THE DIRECTORS:

- a. The tenure of a Director shall be for five years except in the case of the first batch of Directors since the Directorship shall be on a rotation basis.
- b. Accordingly, every year three of the Directors complete their tenure on rotation basis and are eligible for re-election and new Directors elected against these vacancies.
- c. The tenure period of the first batch of Directors shall be by drawing lots in the presence of all elected Directors and President. This shall be final and indisputable.
- d. In case a Director abstains, without leave of absence, for three consecutive meetings, the Directorship shall cease, automatically and a new Director Co-opted for the remaining period.
- e. In case, the post of a Director falls vacant, for whatever may be the reason, the Board shall Co-opt a Director for the remaining period only.
- f. The maximum number of terms either the President or Directors

can hold the positions shall be two. In other words, no member can continue for more than ten years as the President or Director of the Board.

- g. This period shall be counted from the time the first Management Board formed only. It shall not be applicable to the earlier periods.

17. REMOVAL OF DIRECOTRS:

- a. Any director can be removed by the General Body similarly any office bearer can be removed by the Board, the removal of the Director or an Office bearer shall be through a “No confidence” motion, not less than 8 (eight) Directors or not less 1/3rd of the members of the General Body can send a notice of “No Confidence” on any office bearer or any director to the Secretary, who shall convene the Board meeting or the General Body meeting as the case may be. After receiving the No-confidence motion, the Secretary/President shall arrange for convening the Managing Committee meeting after expiry of twenty days of notice. The motion of No Confidence is passed by 2/3rd members present at such meeting who are entitled to vote. If the “No Confidence” motion is against the Secretary, the notice shall be sent to the Chairman who shall convene the Board meeting or the General Body meeting.
- b. The Directors on acquiring disqualification to continue as director or as member of the society shall be removed by the Board. Such removal shall be placed before the general body held immediately after such removal.
- c. Any director, may vacate the office, by submitting his resignation to the secretary he ceases to be a director from the date of acceptance of his resignation by the Board.

18. BOARD MEETINGS:

- a. The meeting of the Management Board shall be convened at least six times in a year and there shall be at least one meeting in 60 days.
- b. The proceedings of the Meeting shall be prepared in minutes and signed either by the President or Secretary.
- c. Minutes book shall be maintained for the purpose.
- d. The minutes shall be circulated among the Directors and confirmed at the next meeting.
- e. The Secretary with the approval of the Chairman shall issue a clear 7 days' notice of the meeting by post or hand delivery to all the Directors
- f. The Quorum for a meeting shall be 8 members including the President. However, the quorum size shall be reduced, proportionately, in case the number of Directors on roll falls short of Fifteen.
- g. In case there is no quorum, the meeting shall be adjourned and in the said adjourned meeting shall be conducted with the same agenda items.

19. POWERS AND DUTIES OF THE BOARD:

G. THE POWERS:

Broadly, the main functions of the Board shall be as under;

1. Admit members and terminate membership.
2. elect the office bearers
3. remove the office bearers
4. appoint and remove the Chief executive, if any
5. fix staff strength
6. frame policies concerning
 - a. organization and provision of services to members
 - b. recruitment and conditions of service of the staff at the

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Cooperative Society.

- c. mode of custody and investment of funds
 - d. manner of keeping accounts
 - e. mobilization, utilization and investment of various funds
 - f. monitoring and management information systems including statutory returns to be filed; and
 - g. formulating plans and programs for making of films, media utilization of equipment, personnel, facilities, etc.
 - h. such other subjects and matters necessary for the effective performance of the Society.
7. Finalize long term perspective plan and the annual plan and budget; and direct the affairs of the Co-operative Society in accordance with the plan and budget as approved by the General body.
 8. place the annual report, annual financial statements, annual plan and budget for the Society to the General Body.
 9. consider audit and compliance reports and place these before the General Body
 10. Accept resignation of members and sanction refund of their share capital.
 11. To constitute committees for undertaking various activities of the society like production, casting, designs, etc. for film making and construction of studio with the approval of the general body and Delegate powers to the Office Bearers in addition to those mentioned in bye-laws.
 12. Determine the fees, price, service charges, subscriptions, contributions advance to be paid by members.
 13. review membership in other Cooperatives; and
 14. undertake such other functions as may be delegated by the General Body.

20. PRESIDNET, VICE-PRESIDENT, SECRETARY, JOINT-SECRETARY & TRESURER:

- i. There shall be Five office bearers. These shall be the President, the Vice -President, the Secretary, Joint Secretary and the Treasurer.
- ii. The office bearers, shall be elected by the Board from among themselves.
- iii. Their term shall be limited to their term as a Director.
- iv. The President shall be the overall in charge of the activities of the Society and responsible to the General Body and Board for the health and progress of the Society.
- v. Broadly, the functions and responsibilities of the President shall be as under;
 - Preside over the General Body and Management Board Meetings.
 - Overall, in charge of the day-to-day activities of the Society.
 - Appoint the staff against the sanctioned posts as per the resolutions ofthe Board.
 - Ensure Discipline and take disciplinary actions.
 - Deployment of staff and allocation of work among the employees.
 - Decide the Investment of funds of the Society in consultation with theBoard.
 - Exercise the cheque power as per delegation by the Board.
 - Ensure execution of the policy directions and decisions of the GeneralBody as well as the Board.
 - To sue the concerned if necessary.
- vi. The Vice - President steps in only in the absence of the President.
- vii. The functions of the Secretary, broadly, shall be as under;
 - Ensure the maintenances of the account records and sign the periodicalcompilation of the accounts
 - Convene the Board meetings with the Approval of the President
 - Attend to legal matters including to sue and to be sued.

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- Minutes the proceedings of the General Body and Management Board Meetings.
- viii. The Joint Secretary shall attend to those functions delegated to him by the President.
- ix. The Treasurer is the custodian of the funds and accounts of the society. The Treasurer shall operate the bank accounts along with secretary or president. The Treasurer shall take charge of all nominees received by the Society and shall make disbursements in accordance with the directions of the Management Board secretary and President. On cash book he shall sign in correctness and produce the cash balance whenever called upon to do so by any member of the Board or registrar or any other officer authorized by the Registrar and may retain in his personal custody a sum not exceeding the limit fixed by the management Board from time to time.
- x. Notwithstanding these provisions, the President shall have the right to allocate and assign the works pertaining to the office among the office bearers as deemed necessary from time to time, with the approval of the Board of Directors, without violating the provisions of APMACS Act 1995 and Bye laws of the Society.

21. DEALING WITH NON-MEMBERS:

The society shall not provide services to the non-members. However, the society may with the approval of the General body may extend its services to non-members on payment of prescribed charges for various services provided by the society.

22. ELIGIBILITY FOR DIRECTORSHIP:

In order to be elected as a director, a member

- ii) Shall have been eligible to vote in the elections to the management Board
- iii) Shall have a minimum of 20(Twenty) shares of value of Rs.20,000/-

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for a continuous period of two years prior to the date of notification to election.

- iv) Shall not have lost the right to vote or right to continue as a Member/Director.
- v) Shall not be a defaulter to the society on the date of notice convening the General Body in which election will be held.
- vi) Shall not have been penalized under the act.
- vii) Shall have attended the Two General Body meetings immediately preceding the meeting in which he wishes to contest as director.
- viii) Further the Directors shall be ineligible to continue as Directors during their term as Directors due to following reasons.
 - a) The board as a whole shall incur disqualification to continue, if it performs business in the manner contrary to the provisions of Act & bye laws.
 - b) The Directors shall cease if he is absent himself to three consecutive board meetings, without obtaining written permission of the chairman.
 - c) He shall cease, when he lost membership in the society

23. PENALTIES:

- i. Every director while exercising his power or discharging the duties shall act honestly and in good faith and in the best interest of the society and shall exercise such due care, diligence and skill, a reasonably prudent person would exercise in similar circumstances.
- ii. The actions of Members and employees of the Society, against to the interest of the Society are liable for penal action. If a person is guilty of misappropriation, fraud, breach of trust, cheating or any other act involving moral turpitude, resulting in a loss to the society, he shall be punishable according to the provisions of the AP MACS Act 1995 and Indian Penal Code.

24. LAIBILITY OF OFFICE BEARERS AND DIRECTORS:

The president and Directors are jointly and severally responsible for the excess expenditure incurred over and above the budget provisions as approved by the general body for that accounting year. Similarly, where the president has caused to incur the excess without board resolution and not ratified by the general body shall be responsible by himself. The board of management held jointly and severally responsible for the financial irregularities and there by incurred loss to the assets of the society, proved due to their willful negligence and dishonest. Further they shall be liable to be expelled from the membership of the Society.

25. CHIEF EXECUTIVE:

In case the services of paid Chief Executive officer is required, the managing Committee with the approval of the general body is authorized to create the post and fix the remuneration payable to him and also prescribe his duties and responsibilities.

26. DELEGATES TO FEDARATIONS:

The President is ex-officio delegate to the higher tier co-operatives or the federation to which the society is a member. At any time, if he is not able to represent the society, in any forum, the board shall select another director for the purpose.

27. RIGHTS OF FEDERATION:

The rights and privileges of the society, when contracted with other Federation or other society, shall be subject to the terms and conditions agreed between another cooperative society or federation.

FINANCES

28. THE NATURE AND AMOUNT OF CAPITAL:

- a. The authorized share capital of the Society, for present, shall be Rs. 10 (Ten) Crores consisting of 1,00,000 shares, each share with a facevalue of Rs. 1000/-.
- b. The General Body shall decide the quantum of the authorized share capital of the Society as deemed necessary from time to time as per the provisions of Section 10 of APMACS Act 1995.

29. MAXIMUM CAPITAL THAT A SINGLE MEMBER MAY HOLD:

- i. Every member shall take at least One share of the Society and a member singly or collectively with the family shall take not more than 1/500th of the total authorized Share Capital of the Society.
- ii. Every member shall be entitled to increase the number of shares, with the permission of the Management Board, from time to time so as not to exceed limit of shareholding laid down in the byelaws of the Society.

30. INTEREST ON SHARECAPITAL:

Dividend/Interest payable on the paid-up share capital shall be decided by the General Body each year subject to the condition that the profits available for distribution and the rate shall not exceed the highest rate of interest paid by the scheduled banks on their Fixed Depositors

31. FUNDS - SOURCES, TYPES, EXTENT:

- a. The Management Board is competent to raise or borrow money by following methods.
 - i. Share Capital from members.
 - ii. Deposits from members
 - iii. Loans/Cash Credit and advances from Financing Agencies or Banks or members or non-members.
 - iv. Subscription etc., from members.

- v. Reserves and other welfare funds administered by the management from time to time.
- vi. To accept financial aid from generous people's representatives.
- b. The funds of the Society shall be used for the furtherance of the objects of the Society and in the general interests of its members and their families as decided by the Board.
- c. Every member shall continue to contribute to the thrift deposit as long as he continues to be a member. The rules for collection and maintenance of the thrift deposit accounts and the interest payable shall be framed by the general body from time to time.
- d. **BORROWINGS:**
 - a. The Society shall arrange to meet the requirements for funds by resorting to borrowing either as a deposit collection from members as a loan from the commercial institutions as deemed necessary by the Management Board.
 - b. The loans obtained by the Society shall not exceed Twenty-five times of its paid-up share capital plus reserve fund.

32. USE OF FUNDS:

A. SHARE CAPITAL:

Share capital fund shall be used for creation of infrastructure facilities required for film making and other ancillary activities and services. Admission fee shall be used to meet promotion expenses, production and day to day operations of the society.

B. LOAN FUNDS:

Loan funds shall be used for production of movies and ancillary activities and also to meet working capital requirements.

C. DEPOSITS OR SUBSCRIPTION FROM MEMBERS:

The Society shall use subscription or deposit funds for setting up infrastructural support to the existing facilities.

D. RESERVE FUND:

- a. The Reserve Fund shall belong to the Society as a whole and is intended to meet unforeseen losses. No member shall have any claim to a share on it.
- b. The Reserve Fund of the Society shall not be invested or deposited except in one or more of the modes stipulated by the Act.

33. CONSTITUTION OF VARIOUS FUNDS AND THEIR USES:

A. DISPOSAL OF NET SURPLUS:

The net surplus shall be disposed as follows:

An amount not less than

- a) An amount equivalent to 20% to deficit cover Fund, for use in a year in which society have loss;
- b) 20% to General Reserve Funds, to meet unforeseen losses in the future
- c) 5% bad Debts Reserve, to meet write off bad debts in a year
- d) 20% to the infrastructure development Fund, to facilitate or replace existing infrastructure or enhancement.
- e) 10% to the Education Fund to be operated by the Society, in the first few years, whatever society spend on cooperative education and training should be a part of our regular expenses, but over a period of years, we should be able to spend the interest earned on the annually growing fund set up for this purpose, which should be sufficient to have an ongoing educational and training process for members, directors, and staff;
- f) 20% to patronage Rebate fund, out of which society need to return to each member an amount in proportion to the member's use of the services of the cooperative, in the year in which the surplus earned;
- g) 5% to staff welfare fund, to provide housing, medical care, educational, and recreational facilities to the staff and workers

B. DEFICIT MANAGEMENT:

- a. In case, the Society ends with a deficit in a particular year, the Management Board shall place this fact before the General Body, at the first available instance, with specific proposal to meet the deficit.
- b. The General Body shall decide the mode of its management.

34. AUDIT OF ACCOUNTS:

A. AUDIT:

- a. The Cooperative Society shall have to maintain the accounts of the Society and get audited of such accounts at least once in each financial year.
- b. The General Body of the society by a resolution shall appoint an auditor for conduct of audit of accounts of the society.
- c. The auditor shall be a Chartered Accountant having registration with ICAI or the general Body may also resolve to request the Registrar of Mutually Aided Cooperative Societies, to appoint a departmental auditor to conduct audit of the society.
- d. Provided that the accounts of every co-operative society, shall be audited within three months of the close of the financial year to which such accounts relate.
- e. He may be paid remuneration as determined by the General Body.

No Auditor or Auditing firm shall continue to Audit the accounts of the Society for more than 5 years continuously.

B. ACCOUNTS:

Compilation of Accounts:

- i. The Accounts (receipts, deposits, expenditure etc.,) shall be compiled, on daily basis and the relevant records such as the receipt / voucher list, the cash book etc., prepared and stored within 24 hours of these daily transactions completion and verified by the office in charge.
- ii. Similarly, the accounts for each month compiled at the completion of the month concerned by 20th of the next month and duly certified by the office in charge.
- iii. This process shall be extended to compilation of the quarterly, half - yearly and annual accounts.
- iv. The accounts, thus, compiled periodically shall be verified and certified by the Secretary of the Society.

35. APPOINTMENT OF INTERNAL AUDITORS:

- a. The Board shall appoint the internal auditors or create internal check system based on the transactions and size of the society.
- b. In addition, the Management Board may design appropriate procedures for internal audit check-list for the internal auditors to use as a guide.
- c. The fee to the Internal Auditors shall be decided by the General Body.

36. DISPOSAL OF FUNDS ON LIQUIDATION:

- a. On winding - up of the Society, the Reserve Fund together with other funds constituted by the Society in accordance with the bye - laws, shall be applied by the liquidator to the discharge of such liabilities of the Society as may remain, undischarged out of the assets of the Society in the following manner:
 - the debt of the Society;

- the paid-up share capital; and any claim relating to the dividend upon the Paid-up share capital of the members on the date of winding up of the Society.

- b. Any surplus funds remaining after the payments mentioned in the bye - laws shall be utilized as per the provisions of the Act.

37. DISSOLUTION:

- a. The society may be dissolved or liquidated in accordance with the provisions of the Andhra Pradesh Mutually Aided Cooperative Societies Act.1995.
- b. In the event of liquidation of the society any funds remaining after the fulfillment of all external liabilities and the other liabilities, shall be disbursed in proportion to the share capital of such members as are not defaulters on the date.
- c. Any amount that cannot be shared with members for whatsoever reason shall be given as a donation to another organization with similar objectives or to any charity institution as desired by the General Body.

38. LANGUAGE IN WHICH BUSINESS IS TO BE CONDUCTED:

The Business of our society in all internal and external matters shall be conducted in both Telugu and English languages, except for transactions with persons unfamiliar with Telugu and English

39. FINANCIAL YEAR:

It shall be from 1st April of the year to 31st of March of the next year.

40. ANNUAL RETURNS:

Every year within thirty days of the conduct of annual general body meetings, the Society shall file the following returns with the Registrar.

- a) Annual report of the activities
- b) Annual Audited statements or account with auditor's report
- c) List of members as at the close of the year under reporting with services provided to each member.
- d) Statement on the disposal of surplus or the allocation of deficit
- e) List of names of directors their address and the terms of office
- f) Compliance report relating to audit inquiry special audit if any
- g) Other information as per prescribed forms communicated by the Registrar.

41. RECORDS TO BE MAINTIANED:

- (1) The society shall keep at its office, the following accounts, records and documents, namely:
- i. a copy of this Act with up-to-date amendments incorporated;
 - ii. copies of other laws and regulations to which the cooperative society is subject;
 - iii. a copy of its registered byelaws with amendments made from time to time;
 - iv. the minutes book;
 - v. accounts of all sums of money received and expended by the cooperative society and their respective purposes;
 - vi. accounts of all purchases and sales of goods by the cooperative society;
 - vii. accounts of the assets and liabilities of the cooperative society;
 - viii. a register showing member-wise patronage of various services provided by the cooperative society;
 - ix. an up-to-date register of all members, and a list of members with voting rights for the current year prepared within thirty days of closure of the cooperative society's financial year;
 - x. copies of the audit reports and special audit and/or inquiry report, if any, and compliance reports thereon; and

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- xi. all such other accounts, records and documents as may be required by this Act or other laws.
- (2) The books of accounts and other records shall be open for perusal by any director during business hours.
- (3) Copies of the Act, byelaws, minutes book pertaining to the general body meetings, reports and compliance thereon of audit, special audit and inquiry, voters' list and such accounts as relate to a member, shall be made available to any member during business hours at a fee to be decided by the board. In the case of a cooperative society with unlimited liability, in addition, a member may also have access to all books of accounts during business hours, at a fee decided by the board
- (4) THE SEAL:
The Society shall have a common seal which will remain under the custody of the President and be affixed in the presence of the President under his signature.
- (5) INQUIRY:
An inquiry into the affairs of the Society to be made into specific matter or matters as per the provisions made under sections 29, and 30 of the Act.

OTHERS

42. SETTLEMENT OF DISPUTES:

A. SETTLEMENT OF DISPUTES:

- a. Without prejudice to the statutory arrangement made in the Act for the settlement of disputes, the General Body acts as a representative general body until a representative general body is constituted touching the business and management of the Society. An appeal shall lie with the General Body as the case may be in the first instance.
- b. All the dispute mentioned in Section 37 of the Act other than the election disputes shall be referred to a separate committee constituted for this purpose by the General Body comprising of members other than the Board of Directors of the Society from among members of the Society or distinguished persons from the public who have not stood for election to the Board in the previous five (5) years for decision, provided that where every matter of personal interest of any member of such committee is involved in the dispute the concerned members sitting in the committee should avoid participation in the committee deliberation or decision making.
- c. the general body will have the right to reject any or all of the nominations suggested by the board.

B. OFFENCES AND PENALTIES:

- a. It shall be an offence under the Act, if the Society fails to:
 1. do or allow to be done any such act which this Society is by this Actor under its bye - laws required to do or allow to be done;
 2. willfully neglects or refuses to do such acts;
 3. If it makes a return or willfully furnishes information in any respect false or insufficient
- b. It shall be an offence under the Act if a member / director / staff of the Society contravenes the provisions of the Act or the Bye- laws.
- c. Any such offence shall be deemed to have been committed by such

member / director / staff of the Society unless such member / director / staff proves to have attempted to prevent the commission of the offence.

- d. An offence under this Section shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to ten thousand rupees or both.

C. PROCEDURES:

The provisions of the Andhra Pradesh Mutually Aided Co-operative Societies Act, 1995 the Byelaws and Rules of business and administration of the Society shall be applied and adhered to in respect in procedures of the following matters and in respect of any matters which was not specifically mentioned in Byelaws:

1. Admission and termination of membership
2. Amendment of Byelaws
3. Mobilization and investment of funds
4. Settlement of disputes, appeals and revisions
5. Maintenance of books of accounts and records
6. Audit of accounts
7. Attachment and recovery of debts, execution of decree
8. Rights and privileges of Society
9. Liquidation, amalgamation, division, merger and transfer of the Assets and Liabilities.
10. Penalties for acting against the interest of the Society and for non-fulfillment of duties by members / directors / officers / staff.

D. EXECUTION OF DECISIONS:

All the decisions, decrees and orders shall be executed as per the provisions of Section 36 of APMCS Act 1995.

E. MISCELLANEOUS:

- a. These bye - laws shall conform and fall within the preview of the provisions of the Acts governing the Society. In other words, the Bye - laws shall be subject to the provisions of the Acts concerned such as Bonus Act, minimum wages Act, Provident Fund Act etc., within are applicable to the Society and any other directions issued by the Commissioner for Cooperation and Registrar of Cooperative Societies,AP from time to time.
- b. The amendments to the Acts by the Government from time to time shall be automatically, applicable and the Bye - laws stand amended to that extent.
- c. In addition, the Society shall have the freedom to amend theses bye - laws from time to time to cope with the changed situations or requirements provided the amendments made as per the provisions and procedures prescribed by the Act for such acts.
- d. Chief promoter shall convene the meeting of the promoters within a period of 30 days from the date of receipt of registration certificate, the meeting shall approve all transactions entered into or expenses incurred in good faith prior to registration.
- e. The office bearers, staff, board and general body shall discharge their functions in accordance with the Act, byelaws and rules of business and administration and without prejudice to the specific functions assigned to others.
- f. The first set of Board of Directors as selected by the promoters shall be competent to manage the affairs of the society till elections are held and the new Board assumes charge i.e., within 60 days of registration of the society
- g. The jurisdiction in case of matters related to courts or co-operative tribunal or the Apex bodies shall be that of the courts at Vijayawada as the case may be.

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S. No	Name of the Promoter	Signature
1	Boompalli Vamsi	
2	Tiruveedula S R K Murthy	
3	Gangireddy Venkata Reddy	
4	Koliboyina Ramakrishna	
5	Ponugoti Pitchi Reddy	
6	Puttamraju Rama Krishna	
7	Venkata Suresh Babu Chittiboina	
8	Ankireddy Sudhakar Reddy	
9	Palem Suresh Kumar Reddy	
10	Emmidiseti naresh	
11	Chintalapudi Subba Reddy	
12	V V Narasimha Ponugoti	

Chief Promoter
The Gully Moviez Mutually Aided
Cooperative Society Ltd., Vijayawada