

GOVERNMENT OF KERALA

Abstract

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V. Loganathan
18958
Panchayats - Promotion of welfare measures and generation of employment opportunities for the rural population - Formation of a Charitable Society by name Kerala Rural Employment and Welfare Society - Approval of Memorandum and Articles of Association and registration of Society - Sanctioned.

LOCAL ADMINISTRATION (F) DEPARTMENT

G.O. (MS) No. 173/86/LAD Dated, Trivandrum, 18-9-1986

Read:- Letter No.P.40148/85 dated 23-7-1986 from the Director of Panchayats.

O R D E R

Government have for some time been considering a proposal to organise an autonomous Society with the Panchayats of the State as members and conducted under the auspices of the Panchayats Department in order to undertake activities and implement schemes designed to promote the progress and welfare of the rural people and to improve the employment potential for the young men and women of the rural areas. The Director of Panchayats in the letter cited has recommended that the Society may be registered under the Charitable Societies Registration Act.

2. Government are pleased to approve the proposal to organise a Charitable Society for the purposes mentioned above. Sanction is hereby accorded to register a Society by name the "Kerala Rural Employment and Welfare Society" under the Travancore-Cochin Literary Scientific and Charitable Societies Registration Act with the Memorandum of Association and Articles of Association appended herewith.

3. Government are also pleased to order that the following Officers of Government shall sign the Memorandum and Articles of Association for the purpose of the registration of the Society:

- (1) Shri R. Ramachandran Nair,
Commissioner & Secretary to Government
- (2) Shri N.V. Madhavan,
Director of Panchayats.

- (3) Smt. A.S. Padmavathy,
Additional Secretary to Government.
- (4) Shri V.R. Padmanabhan,
Additional Secretary to Government
- (5) Shri A.K. Appootty,
Joint Director of Panchayats.
- (6) Shri A. Shoukat Ali,
Finance Officer, Panchayats Department.
- (7) Shri S. Narayanan Nair,
District Panchayats Officer,
Trivandrum.

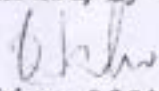
The Director of Panchayats will take further action to get the Society registered; and the expenses for the registration of the Society shall be met from the allocation for Office Contingencies in the Office of the Director of Panchayats.

(By Order of the Governor)

R. Ramachandran Nair,
Commissioner & Secretary to Govt.

The Director of Panchayats
The Director of Registration
The District Registrar, Trivandrum
The Officers concerned.

Forwarded/By Order


Section Officer.

**KERALA RURAL EMPLOYMENT AND
WELFARE SOCIETY**

Thiruvananthapuram

ARTICLES OF ASSOCIATION

Gramalakshmi Mudralayam, Kalliyoor

**KERALA RURAL EMPLOYMENT AND WELFARE
SOCIETY**

Thiruvananthapuram

Registered under the Travancore Cochin literary
scientific and charitable societies registration act 1955
(Act XII of 1955)

Regn.No.631/86.

ARTICLES OF ASSOCIATION

MEMORANDUM OF ASSOCIATION OF THE KERALA RURAL EMPLOYMENT AND WELFARE SOCIETY

1. Name, Headquarters & extent :

The name of this Society shall be the "Kerala Rural Employment and Welfare Society" (hereinafter called the society); its headquarters shall be at Thiruvananthapuram and its activities shall extend to the whole of the State of Kerala.

2. Aims and Objects :

The main object of the Society is the Welfare of the rural population of Kerala especially who are financially poor, to uplift irrespective of Caste, Religion and other discrimination by providing educational facilities, vocational training and creating employment opportunities. (Amendment approved as per G.O.(Rt)No.2503/2013/LSGD dt: 09-10-2013)

The other aims and objects of the Society shall be the following :

- (a) To promote the welfare and progress of the rural population of Kerala State especially the under privileged sections thereof, by implementing suitable schemes and projects which are conducive to economic development, social uplift and increased employment potential in the rural areas.
- (b) To promote the all-round development of the human resources available in the rural areas of Kerala by encouraging the education of rural children increasing the facilities for recreational and cultural activities in rural areas providing better attention and protection to rural people (especially women) in handicrafts and other workskills ; improving the standards of health and hygiene in the rural areas, and by other appropriate measures ;

- (c) To assist, subsidise, co-ordinate and encourage the welfare activities undertaken by the Panchayats of Kerala for the benefit of the rural population ; and to create, or cause to be created, suitable infrastructural arrangements for such activities ;

- (d) To promote employment opportunities among the rural Population of Kerala by implementing projects and establishing units which have employment potential such as printing presses, spinning and weaving units, workshops and other similar establishments where practical job training can be imparted to young men and women.

- (e) To organize seminars and discussions to highlight the social economic and other problems of the rural areas; to conduct studies and research on the lives of Harijans and Girijans living in rural areas and the problems of their development and uplift ; and to organize or encourage training programmes for rural leaders in respect of efforts, activities and schemes which can promote the progress and welfare of the rural people;

- (f) To produce and publish journals ; pamphlets, monographs and other literature designed to project the problems of the rural areas, the developmental efforts being attempted in such areas and their effects and out comes ; and

- (g) Generally to do all such things, and undertake all such activities as are conducive to the promotion of rural welfare in Kerala and the realization of the aims and objects of the Society.

3. First Board of Directors :

The first Board of Directors of the Society shall consist of the following persons and they shall hold Office till the Board of Directors as laid down in Article 7 read with Articles 17 and 20 is constituted and assumes charge :

1) R. Ramachandran Nair,

Commissioner and Secretary to Govt.

2) N. V. Madhavan, Director of Panchayats

3) A. S. Padmavathy, Additional Secretary to Govt.

4) V. R. Padmanabhan, Additional Secretary to Govt.

5) A. K. Appooty, Joint Director of Panchayats.

6) A. Showkhathali, Finance Officer, Panchayat Department.

7) S. Narayanan Nair, District Panchayat Officer, Trivandrum

ARTICLES OF ASSOCIATION OF THE KERALA RURAL EMPLOYMENT AND WELFARE SOCIETY

1. Nature of the Society :

(1) The Kerala Rural Employment and Welfare Society (hereinafter called the Society) shall be a purely charitable organization conducted without any motive of earning profit for the members.

(2) Any profit which is normally generated in the course of any activity or enterprise undertaken by the Society shall be utilized for realizing the charitable aims and objects of the Society shall not be distributed among the members of the Society for the purpose of future utilization the amount should be invested under Sec.11(5) of Income Tax Act 1961.

2. Definitions:-

(1) In these articles, unless the context obviously shows otherwise.

(a) "Authorities of the Society" shall mean the General Council, the Board of Directors, the Chairman, the Vice Chairman and the Managing Director of the Society.

(b) "Board" shall mean the Board of Directors ;

(c) "Council" shall mean the General Council ;

(d) "Councilors" shall mean the members of the General Council inclusive of elected members and nominated members and shall also include the Directors.

(e) "Directors" shall mean the members of the Board of Directors both elected and nominated ; and shall include the Chairman, Vice-Chairman and Managing Director..

(f) "Financial year" shall mean a period of twelve calendar months starting from the first day of April.

(g) "Government" shall mean the Government of Kerala.

(h) "Members" shall mean the members of the Society inclusive of Institutional members and Individual members.

(i) "Rural area" shall mean an area covered by Panchayat administration.

(j) "State" shall mean the State of Kerala.

(2) If any doubt arises with regard to the interpretation of any of these articles the matter shall be clarified by the Government ; and the interpretation or clarification given by the Government shall be binding on all the authorities of the Society.

3. Membership :-

(1) The members of the Society may be of two types-namely Institutional members and individual members.

(2) The Institutional members shall be Panchayats ; and shall consist of those Panchayats of the state which join the Society as members by paying an entrance fee of five thousand rupees (Rs.5000/-) and continue to pay a membership subscription of two thousand rupees (Rs.2000/-) per annum.

(3) The Individual members will consist of persons residing in the state who are interested in the aims and objects of the Society and are admitted to the Society as members on payment of a life membership fee of One thousand rupees (Rs.1000/-)

Provided that the Board of Directors shall be competent to deny individual membership to any person without assigning any reason, if the Board feels that it is not in the best interests of the Society to grant membership to such person.

4. Chairman :-

(1) The Government shall appoint a person who is not below thirty five years of age as the Chairman of the Society.

(2) The normal term of Office of the Chairman shall be three years ; but the term of the Chairman shall come to a close along with the term of the Board of which he is Chairman.

(3) Notwithstanding anything contained else where the Chairman shall continue to hold Office until his successor is nominated by the Government and takes charge.

5. Powers and functions of the Chairman :-

(1) The Chairman shall be competent to advise, supervise; and guide the Managing Director, the Secretary, and other employees of the Society and to take such steps as he deems fit to ensure that the Society is functioning satisfactorily so as to realize its charitable aims and objects and that the Secretary and other employees are performing their duties properly.

(2) The Chairman whenever present shall preside over all the meetings of the Council, the Board, the Staff Selection Committee and all Sub-Committees of the Board.

(3) Without prejudice to the generality of the foregoing provisions, the Chairman shall exercise the following powers and functions

(a) To issue policy guidelines (which do not conflict with the decisions of the Board or Council or the directives of the Government) to the Managing Director and the Secretary.

(b) To exercise disciplinary powers and to impose all penalties on the employees except the Secretary.

(c) To decide on the investment of specific amounts from the General Fund or the special funds in Banks which have been approved by the Board in the Treasury Savings Bank or in Government securities.

(4) In situations of emergency, the Chairman may take decisions on behalf of the Board subject to subsequent ratification by the Board.

(5) The Board may delegate any of its functions and powers to the Chairman subject to such conditions and restrictions as it deems fit.

6. Vice Chairman :-

(1) The Government shall appoint a person who is not below thirty five years of age as the Vice-Chairman of the Society.

(2) The Vice-Chairman shall normally hold office for a period of three years, but the term of the Vice-Chairman shall come to a close with that of the Board of which he is the Vice-Chairman.

(3) Notwithstanding anything contained elsewhere, the Vice-Chairman shall continue to hold office until his successor is nominated by the Government and takes charge.

(4) In the absence of the Chairman, the Vice-Chairman shall preside over the meetings of the Council, the Board and all the sub Committees.

(5) The Chairman may delegates any of his powers or functions to the Vice-Chairman under such restrictions; and conditions as the deems fit.

7.. Board of Directors :

(1) The affairs of the Society shall be managed, conducted and controlled by a Board of Directors.

(2) The Board shall consist of the following :

(a) The Chairman

(b) The Vice-Chairman

(c) The Managing Director

(d) Seven representatives of the Institutional members elected in the manner laid down in Article 17.

(e) One representative of the individual members elected in the manner laid down in Article 17.

(f) Four persons who are interested in the aims and objects of the Society-nominated by the Government.

(3) The Board shall hold Office for a period of five years from the date of its constitution or reconstitution as the case may be; but the Board shall continue in Office until a new board is constituted to succeed it.

8. Meetings of the Board :

(1) The Board shall normally meet once in two months ; but may meet more frequently if required by the business at hand.

(2) The interval between two meetings of the Board shall not exceed four months in any case.

(3) It shall be responsibility of the Secretary to convene the meetings of the Board with the permission of the Chairman at appropriate intervals.

(4) A notice of seven clear days shall be given for a meetings of the Board but a notice of shorter duration shall be sufficient in a situation of emergency if approved by the Chairman and subsequently ratified by the Board.

(5) The quorum for an ordinary meeting of the Board shall be eight ; but if there is no quorum at an ordinary meeting, it shall be adjourned for two weeks and the quorum for such an adjourned meeting shall be five.

Provided that no meeting of the Board shall be valid unless it is attended by either the Chairman, the Vice-Chairman, or the Managing Director in person.

(6) The Chairman, or in his absence the Vice-Chairman, and in the absence of both of them, the Managing Director, shall preside over all meetings of the Board.

(7) The Secretary shall keep the minutes of the meetings of the Board in a well-maintained Minutes Book.

(8) All matters which arise for consideration before the Board shall be decided by a simple majority of votes of the Directors present at the meeting; and in case of equality of votes, the person Presiding shall have a second or casting vote.

9. Powers and functions of the Board

- (1) The general administration of the Society shall be conducted by the Board ; and the Board shall exercise all the powers necessary for the proper conduct of the affairs of the Society.
- (2) All the movable and immovable properties of the Society and all the other assets of the Society shall be vested in the Board ; and the Board shall utilize such Properties and assets for the realization of the aims and objects of the Society.
- (3) Without prejudice to the generality of the foregoing provisions, the Board shall exercise the following powers and functions :
 - (a) To present the draft budget of the Society before the Council for approval.
 - (b) To spend, or authorize the spending of, amounts from the General Fund of the Society in accordance with the allocations made in the Budget.
 - (c) To spend, or authorize the spending of amounts from the General Fund in a situation of emergency in deviation from the Budget, subject to the ratification of such action by the Council in its next meeting.
 - (d) To create posts of employees under the Society subject to the approval of the Government.
 - (e) To frame draft bye-laws of the Society and place them before the Council for approval.
 - (f) To guide, supervise and control the Secretary and other employees through the Managing Director.
 - (g) To form the Staff Selection Committee and other Sub-Committees, if any.

- (h) To impose all penalties on the employees of the Society except the Secretary.
- (i) To issue appellate orders on the decisions of the Managing Director and the Chairman imposing penalties on the employees of the Society.
- (j) To propose the terms and conditions of Service including scales of pay and allowances of the employees of the Society for the consideration of the Government, and to implement them with the approval of the Government.
- (k) To select the Bank or Banks in which the funds of the Society may be invested.
- (l) To borrow funds on behalf of the Society for the approved development projects from financial institutions by offering movable or immovable properties of the Society as security.
- (m) To purchase, sell, lease or mortgage landed property and other immovable property on behalf of the Society.
- (n) To lay down rules of procedure for the guidance of the Secretary and other employees.
- (o) To propose the Auditor of the Society for the approval of the Council.

10. General Council :

- (1) There shall be a General Council of the Society for generally guiding the activities of the Board, the Chairman and the Managing Director in accordance with the provisions of these articles.
- (2) The Council shall consist of the following :
 - (a) The Chairman, Vice-Chairman, Managing Director and other Directors.

- (b) Two representatives each of the Institutional members for every Revenue District of the state elected in the manner laid down in Article 16.
 - (c) Three representatives of the Individual members elected in the manner laid down in Article 16.
 - (d) Eleven persons interested in the aims and objects of the Society nominated by the Government.
- (3) The Council shall hold Office for a period of five years from the date of the Constitution or reconstitution as the case may be ; but the Council once constituted shall continue in Office until a new Council is constituted to succeed it.

11. Meetings of the Council :

- (1) The Council shall normally have two annual meetings namely a "Budget meeting" before the end of a financial year and an "Accounts meeting" in the middle of a financial year.
- (2) The Council may have one additional special meeting in an year if any urgent special item of work is to be transacted.
- (3) The Secretary shall convene the meetings of the Council in consultation with the Chairman.
- (4) A notice of twenty one clear days shall be given for a meeting of the Council.
- (5) The quorum for a meeting of the Council shall be Twenty one (21); but if there is no quorum at a meeting convened in the usual manner, that meeting shall be adjourned for two weeks ; and the quorum for such an adjourned meeting shall be Eleven (11).

Provided that no meeting of the Council shall be valid if it is not attended by either the Chairman, The Vice-Chairman or the Managing Director in person.

(6) The Chairman or in his absence the Vice-Chairman and in the absence of both of them one of the Directors chosen for the occasion shall preside over every meeting of the Council.

(7) The Councilors, excluding the members of the Board, shall be allowed to raise interpellations at the meetings of the Council regarding the activities of the Society and also to place resolutions regarding such activities for discussion and adoption.

Provided that for receiving consideration at the meeting all the interpellations and resolutions shall reach the Secretary at least ten clear days ahead of the proposed date of meeting of the Council ; and the Interpellations and resolutions which are received late shall not be considered.

Provided further that Interpellations and resolutions which are not related to the activities of the Society shall be rejected by the Chairman.

(8) At all the meetings of the Council, the Official business presented by the Managing Director on behalf of the Board shall be taken up only after Interpellations and resolutions are disposed of.

(9) All matters which arise for consideration at a meeting of the Council, except a proposed amendment of any of these articles, shall be decided by a simple majority of votes of the members present and voting; and in case of equality of votes the person presiding shall have a second or casting vote.

(10) The minutes of the meeting of the Council shall be kept by the Secretary in a well-maintained minutes Book.

12. Powers and functions of the Council

The Council shall have the following powers and functions :

- (a) To elect members to the Board as laid down in Article 17.
- (b) To approve the annual budget.

- (c) To approve the annual accounts and the annual administration report.
- (d) To appoint the auditor.
- (e) To frame bye-laws for the functioning of the Society.
- (f) To amend the articles of association subject to the approval of the Government.
- (g) To regulate the conditions of the service of the employees of the Society subject to the approval of the Government.
- (h) To give such policy guidelines to the Board as will not conflict with the provisions of these articles and the directives issued by the Government.

13. Resignation of Councilors :

The Chairman, the Vice-Chairman, a Director or a Councilor may resign from Office by a letter signed by him and addressed to the Managing Director; and the resignation shall come in to effect from the date on which intimation is received in the Office of the Society that the resignation has been accepted.

14. Disqualifications :-

(1) A person shall not be eligible to become or shall cease to continue as, a Councilor or a Director if he suffers from any one of the following disqualifications :-

- (a) If he is below twenty five years of age.
- (b) If he is a person of unsound mind.
- (c) If he is an undischarged insolvent or has applied to be declared an insolvent.

- (d) If he has been convicted of an offence involving moral turpitude.
- (e) If he is an employee of the Society.
- (f) If, being a lawyer, he is engaged plead to against the Society.
- (g) If he is engaged in a subsisting contract with the Society.
- (h) If he has on any previous occasion been removed from the Office of Councilor or Director of the Society.
- (i) If he has been compulsorily retired or removed or dismissed from Government service for corruption or misconduct.
- (j) If he has been removed by order of a competent court from any position of trust either for mismanagement or for corruption.
- (2) If the Secretary or the Managing Director comes to know that any Councilor or Director suffers from any one of the above disqualifications he shall bring the fact immediately to the notice of the Government.

15. Removal :

(1) The Government may by an order signed by the Secretary to the Government remove a Director (including the Chairman or Vice-Chairman) or Councilor, after giving him due opportunity to present his case against such removal, for any of the following reasons :

- (a) Any disqualification mentioned in Article 14.
- (b) Acting repeatedly in a manner prejudicial to the interests of the Society.
- (c) Corruption, misdemeanour or grave irregularity while holding Office.
- (d) In capacity to perform the functions effectively due to extreme ill health prolonged absence from the State or any such other reason.

- (e) Failure to attend three consecutive meetings of the Board or the Council as the case may be without sufficient reason or excuse.

- (2) Before removing any person from Office under the foregoing provision, the Government shall cause an enquiry to be conducted in to the matter by an Officer of the Government, not below the rank of joint secretary to the Government.

16. Elections to the General Council :

- (1) The election of the representatives of the Institutional members of each Revenue District to the Council shall be conducted by the respective Deputy Director of Panchayats from among the Presidents of Panchayats of the concerned Revenue District.

- (2) Each Revenue District shall elect two representatives to the Council.

- (3) In the election to the Councils, to only the presidents of those Panchayats which have existing membership in the Society shall participate.

- (4) The election of the representatives of the Individual members shall be conducted by the Secretary.

- (5) The elections to the Council shall be conducted according to a schedule of dates laid down by the Managing Director giving sufficient interval of days for filing of nominations, scrutiny of nominations, and withdrawal of candidature, and allowing a period of not less than ten clear days between the date of withdrawal of candidature and the date of polling.

- (6) The elections to the Council shall be held at a meeting of the presidents of Panchayats of the District held in the D.D.P. Office.

17. Election to the Board of Directors :-

- (1) The elections to the Board shall be conducted by the Secretary under the guidance of the Managing Director.

- (2) The elections to the Board shall be conducted by Secret ballot at a meeting of the Council.

- (3) The representatives of the Institutional members present at the meeting of the council shall elect from among themselves of the Institutional members in the Board.

- (4) The representatives of the individual members present at the meeting of the Council shall elect from among themselves the representative of individual members in the Board.

- (5) At the meeting of the Council where the election is held, the Secretary shall give sufficient time and opportunity to the councilors for making nominations, withdrawal of candidature and the smooth polling of votes ; and the interval between the withdrawal of candidature and the beginning of the poll shall not be less than one hour.

18. Loss of representative capacity :

Any person who has been elected as a Councilor or Director representing Institutional members shall cease to be Councilor, Director as soon as he ceases to be the president of the Panchayat which he was representing.

19. Filling up of casual vacancy :

- (1) Any casual vacancy arising in the Office of Chairman, Vice-Chairman, Director or Councilor nominated by the Government shall be filled up by the Government by nomination ; and such nomination shall be valid for the remaining duration of term of the person in whose vacancy such nomination is made.

- (2) Any casual vacancy arising in the Office of Director or Councilor elected from among Institutional members or Individual members shall be filled up by a bye-election from the respective category ; and the Director

or Councilor so elected shall hold Office for the remaining duration of term of the person in whose vacancy such election is made.

20. When Panchayats do not function :

(1) If at any time, elected Panchayats are not functioning in the State or in any part of the State, the representation of institutional members for the State or for that part of the State, where elected Panchayats do not function, shall be made by nomination of appropriate Officers of the Department of Panchayats by the Government.

(2) The Government shall nominate Deputy Director of Panchayats as Directors and Assistant Director of Panchayats as Councilors for the interim period when Panchayats are not functioning.

(3) The Officers nominated under this article shall hold office for the interim period and vacate office as soon as the elected Panchayats are constituted; provided however that they shall remain in office until the respective successor body is constituted and assumes charge.

21. Managing Director and his functions :

(1) The Director of Panchayats of the State shall be the Ex-Officio Managing Director of the Society.

(2) The Managing Director shall be in immediate charge of this administration of the Society ; and the Secretary and other employees of the Society shall perform their duties according to his direction and control.

(3) The Managing Director shall also function as the Treasurer of the Society.

(4) The Managing Director shall be competent to take disciplinary action and to impose the penalties of (a) censure, (b) fine, (c) Withholding of

increments, and (d) recovery from pay on all the employees of the Society except the Secretary.

(5) The bank accounts of the Society shall be operated in the name of the Managing Director; and cheques up to and including Rs.25,000/- shall be drawn by the Secretary and cheques exceeding Rs.25,000/- and up to Rs.1,00,000/- can be drawn under the joint signature of the Managing Director and the Secretary. Provided that all the Cheques of the value exceeding Rs.1,00,000/- shall be drawn under the joint signature of the Managing Director and the Chairman.

22. Secretary

(1) The Government shall appoint a person who has at least fifteen years of previous experience in public service as the secretary of the Society.

(2) The Secretary shall hold Office for such period or Government may decide

(3) Notwithstanding anything contained elsewhere, the service of the Secretary shall be terminated when he attains the age of fifty five years.

(4) The terms and conditions of Service, including the scale of pay and allowances, of the Secretary shall be fixed by the Government from time to time.

23. The Powers and Functions of the Secretary :

(1) The Secretary shall be the head of the Office of the Society ; and it shall be his responsibility to see that the work in the Office is transacted smoothly and efficiently.

(2) The Secretary shall carry out all correspondence on behalf of the Society.

(3) The Secretary shall convene the meetings of the Council, the Board and all Sub-Committees of the Board at appropriate intervals, prepare the agenda for all such meetings in consultation with the Managing Director and the Chairman, attend such meetings and keep the minutes of all such meetings in well-maintained minutes books.

(4) The Secretary shall promptly communicate the decisions of the various authorities of the Society to the persons concerned and take such steps as are necessary to ensure that they are properly implemented.

(5) It shall be the responsibility of the Secretary to prepare the draft budget, draft annual accounts and draft annual administration report of the Society in time and to submit them before the Board through the Managing Director.

(6) The Secretary shall be the custodian of all the books, records, registers and documents of the Society and it shall be his responsibility to see that they are maintained properly:

(7) Subject to the control of the Managing Director, the Secretary shall guide, supervise and direct all the employees of the Society in the performance of their duties.

24. Removal of Secretary :

(1) If there is an allegation of irregularity, misconduct or corruption against the Secretary, the Government shall cause a preliminary fact-finding enquiry to be conducted in to the matter by a Senior Officer of the Government.

(2) The Officer who conducts the fact-finding enquiry shall submit a report to the Government containing all details of the matter and stating whether there is a prima facie case against the Secretary.

(3) If the Government on examination of the report of the fact-finding enquiry are of the view that there is a prima facie case against the Secretary, they shall order a detailed enquiry against the Secretary and appoint a Senior Officer of the Government not below the rank of joint Secretary to the Government as the Inquiring Officer to conduct the detailed enquiry.

(4) The Inquiring Officer shall frame a charge memo with clear charges against the Secretary and serve it on him with a direction to file his replies to the charges within a stipulated time.

(5) If on receipt of the Secretary's reply to the charge memo it appears to the Inquiring Officer that a further detailed enquiry into the case is called for, he shall conduct such enquiry and submit a detailed report of enquiry to the Government.

(6) If the Government on examination of the report of the Inquiring Officer are of the view that the Secretary is guilty of irregularity, misconduct or corruption, they shall make such a finding in the case and give a notice to the Secretary directing him to show cause before a stipulated date why he may not be removed from service.

(7) If on receipt of the Secretary's reply to the show-cause notice the Government are of the view that the Secretary deserves to be removed from service, they shall issue orders removing him from service.

(8) The Managing Director shall give immediate effect to the order of removal of the Secretary from service by himself assuming charge of the Office of the Secretary temporarily or by making any other appropriate arrangement for the purpose.

(9) At any stage after the receipt of the report of the preliminary fact finding enquiry, the Government may if they consider it necessary keep the Secretary under suspension; and the Managing Director shall give immediate effect to the order of suspension issued by the Government.

25. Employees:-

- (1) Subject to the concurrence of the Government, the Board may create the required number of posts of employees under the Society and prescribe the qualifications for appointment to such posts.
- (2) The Staff Selection Committee may recruit persons with the qualifications fixed by the Board and approved by the Government to the sanctioned posts of employees.
- (3) The appointing authority in respect of all employees shall be the Managing Director.
- (4) No employees of the Society, except a contract employee on a short-term contract of service not exceeding five years, shall continue in the service of the Society beyond sixty years of age.
- (5) The terms and conditions of Service of the employees of the Society including their scales of pay and allowances shall be determined from time to time by the Board with the approval of the Government.

26. Disciplinary Proceedings :

- (1) The Managing Director and the Chairman shall be the disciplinary authorities in respect of all the employees of the Society except the Secretary.
- (2) The Managing Director shall be competent to impose the penalties of censure fine, recovery from pay and with holding of increments on all the employees.
- (3) The Chairman shall be competent to impose all penalties on the employees.
- (4) The disciplinary authority shall cause an enquiry to be conducted into the allegations against an employee on the basis of a clear charge

memo served on him and also give him an opportunity to show cause why the proposed penalty may not be imposed on him, before imposing any penalty.

- (5) The disciplinary authority may, if it is found, necessary, keep any employee under suspension pending further disciplinary action and in all such cases of suspension, the employee shall be eligible to receive a subsistence allowance which is not below fifty percent (50%) of the Salary and allowances for which the concerned employee is eligible if he was not under suspension.
- (6) The employee on whom a penalty is imposed may file an appeal before the Board against such penalty, and the Board shall consider the appeal and issue an order either confirming enhancing reducing or setting aside the penalty provided that before enhancing a penalty the Board shall serve a show cause notice on the employee and receive his reply thereto.
- (7) The Government may either on request by the affected employee with in thirty days of the Board's order or otherwise, revise any appellate order issued by the Board in a disciplinary proceeding in respect of an employee.

27. Penalties:

The Penalties which may be imposed on the employees of the Society except the Secretary are the following:

- (a) Censure.
- (b) Fine not exceeding one hundred rupees.
- (c) Recovery in full or in part from the pay and allowances of the employee of any loss caused to the Society by the employee.

- (d) With-holding of increments without cumulative effect or with cumulative effect.
- (e) With-holding of promotion temporarily or permanently.
- (f) Temporary or permanent reduction in rank.
- (g) Compulsory retirement from service.
- (h) Dismissal from service.

28. General Fund :

(1) The income of the Society shall consist of the following :

- (a) The entrance fee paid by institutional members and individual members and the annual membership subscriptions of the institutional members.
- (b) Payments received for the services rendered by the Society.
- (c) Grants from the Central or the State Government.
- (d) Interest obtained on the investments made by the Society.
- (e) Rent and other incomes obtained from the properties owned by the Society.
- (f) Voluntary contributions made by institutions, organizations and individuals who are interested in the aims and objects of the Society.
- (g) Proceeds from the disposal of unserviceable articles.
- (h) Funds raised by the Society through collection drives, benefit shows and such other schemes for generation of funds.

(2) The income of the Society shall form a Common Fund known as the General Fund of the Society.

Provided that amounts which are directed by the Board to be excluded from the General Fund and operated in Special Funds shall be included only in such Special Funds.

(3) The General Fund of the Society may be spent for the following purposes.

- (a) Paying the salary and allowances of the Secretary and the other employees of the Society and also the terminal benefits of the employees who retire from the service of the Society.
- (b) Expenses in connection with the activities undertaken by the Society for fulfilling its aims and objects.
- (c) Making purchases of articles required for the office of the Society and for the other activities of the Society.
- (d) Paying the sitting fees and travelling expenses of the Councilors.
- (e) Repayment of loans taken by the Society.
- (f) Payments to be made for services availed of by and on behalf of the Society.
- (g) Expenses of legal proceedings if any in which the Society is involved.
- (h) Purchase, or construction, of immovable properties and other assets for the Society.

- (4) Amounts which are not immediately required for the activities of the Society shall be invested in Bank deposits, in Treasury Savings Bank or in other long-term securities.

29. Special Funds :-

- (1) Notwithstanding anything contained in articles 28, the Board may decide to create special Funds for specific activities of the Society.
- (2) The Income and expenditure in respect of a special fund shall be accounted in a separate Special Fund account.
- (3) The salary and allowances of employees who are appointed for dealing with the specific activity for which a Special Fund is created shall be met from that Special Fund.
- (4) The Board shall decide as to who will be Custodian of a Special Fund, how he will operate such special fund and the Bank or Banks in which the Special Fund shall be deposited.

30. Budget

- (1) At least two months before the commencement of a financial year, the Managing Director shall present before the Board of Directors the draft budget for that financial year.
- (2) The Board of Directors may make such alterations or modifications in the draft budget and will make arrangements to call the Budget Meeting of the General Council to discuss the Budget.
- (3) The Budget Meeting of the Council shall be called at least three weeks before the commencement of the financial year.

- (4) The Council in its budget meeting shall make such alterations or modifications in the draft budget as it deems fit and approve the budget for the ensuing financial year.

- (5) The Managing Director and other functionaries of the Society shall ensure that all the expenses of the Society are normally incurred in strict conformity with the allocations made in the budget; and if in an unusual situation of emergency or in view of an unforeseen development, any expenditure not contemplated in the budget becomes necessary it shall be incurred with the approval of the Board and subject to the ratification of the Council.

31. Annual Accounts :

- (1) Within three months from the close of a financial year, the Managing Director shall present the statement of annual accounts for that financial year before the Board for its approval.
- (2) The Board shall scrutinize the statement of annual accounts and make alterations or modifications in it if necessary and make arrangements for calling the Accounts Meeting of the Council which shall be held before the expiry of six months from the date of close of the financial year.
- (3) The Council in its Accounts Meeting shall scrutinize the statement of annual accounts and approve it with alterations or modifications if necessary.

32. Audit :

- (1) The Council in its Accounts Meeting shall appoint a practising Chartered Accountant as the auditor of the Society for auditing the annual accounts of the previous financial year.
- (2) The auditor shall be paid such remuneration for his work as the Council may decide after the work of audit is completed.

(3) It shall be the responsibility of the Secretary to present all the books registers records and documents which are necessary for the efficient conduct of the audit, before the auditor.

(4) After the completion of the annual audit, the auditor shall make a report of audit in which he shall point out all cases of (a) misuse or waste of funds, (b) irregular or improper utilization of funds, (c) failure to collect or recover moneys due to the Society, (d) waste of, or failure to utilize property, the properties of the Society; or (e) any loss sustained by the Society due to the neglect or misconduct of any person; and also point out the person or persons responsible for all such lapses.

(5) The Board in its next meeting shall examine the report of audit and take necessary further action (a) to recover the amount of loss sustained by the Society from the person responsible for such loss after giving a notice to such person and receiving his reply, (b) to initiate disciplinary action against any employee who is responsible for any loss or irregularity or impropriety in the use of the funds of the Society and (c) to issue instructions to prevent the occurrence of similar irregularities in future.

(6) The Board shall place the report of audit before the next meeting of the Council together with a statement of action taken on the report of audit by the Board.

(7) The Managing Director shall submit copies of the report of audit and of the audited annual accounts of the Society together with a statement of action taken on the report of audit to the Government.

33. Banking :

(1) The Board shall decide the Bank or Banks in which the Society shall deposit or invest its funds.

(2) All amounts which are not immediately required for the day-to-day transactions of the Society shall be deposited in commercial Banks, Treasury Savings Bank or Government securities.

(3) The specific amounts which will be deposited in each Bank and the period for which such deposits will be made shall be decided by the Chairman.

(4) All the bank accounts of the Society shall be operated in the name of the Managing Director and Cheque up to and including Rs.25,000/- shall be drawn by the Secretary and Cheques exceeding Rs.25,000/- and up to Rs.1,00,000/- shall be drawn in the joint signature of Managing Director and Secretary. Provided that Cheque for an amount exceeding Rs.1,00,000/- shall be drawn in the joint signature of the Managing Director and the Chairman.

34. Borrowing :

(1) The Board shall be competent to borrow funds from financial institutions or from individuals for the activities of the Society and may lease mortgage or otherwise charge the properties of the Society for offering security for such loans.

(2) The funds borrowed by the Society for specific projects shall be utilized by the authorities of the Society for the expenses of such projects only.

35. Annual Administration Report :

(1) Within two months from the close of a financial year, the Secretary shall prepare a draft annual administration report for that year giving details of the activities and achievements (as well as failures) if any of the Society during the year and submit it to the Board through the Managing Director.

(2) The Board shall scrutinize the draft annual administration report, make alterations or modifications in it if found necessary and place it before the Council in its Accounts meeting.

(3) The Council shall examine the draft report, make alterations or modifications in it if found necessary and approve the annual administration report.

- (4) The Managing Director shall submit a copy of the annual administration report to the Government.

36. Transactions in property :

The Board may purchase immovable properties for the activities of the Society ; and the Board shall be competent to lease, mortgage or sell such immovable properties whenever it is the interests of the Society to do so.

37. Staff Selection Committee :

- (1) The Board shall constitute a staff selection committee consisting of the Chairman, the Vice-Chairman, Managing Director, two Directors from among the Directors elected from the Council and one Director from among the Directors nominated by the Government, for the recruitment of employees to posts which are created by the Board and approved by the Government.

- (2) The procedures for the selection of employees by the Staff Selection Committee shall be laid down by the Board.

38. Sub Committees :

- (1) The Board may constitute Sub-Committees of the Board for looking after specific aspects of the activities of the Society and delegate such of its powers and functions as it deems fit to such sub-committees subject to such restrictions and conditions as the Board may impose.

- (2) The procedures to be followed by the Sub-Committee shall be laid down by the Board.

39. Bye-law :-

- (1) The Board may frame draft bye-law regarding procedures to be followed by various authorities and employees of the Society as well as other aspects of the working of the Society and place such draft bye-law before the Council for its approval.

- (2) The Council shall approve the bye-law after making whatever alterations and modifications as it deems fit in the draft presented by the Board.

- (3) The bye-laws of the Society shall be brought into effect only with the prior approval of the Government.

- (4) The bye-laws will be binding on the Secretary and other employees of the Society and also on all the authorities of the Society.

40. Payments to Directors and Councilors :

- (1) The Directors and Councilors of the Society shall not be entitled to any emoluments or remuneration for holding their office but they may be paid (a) sitting fees at rates determined by the Board from time to time with the prior approval of the Government for attending the sittings of the Board or the Council or a Sub-Committee as the case may be and (b) travelling allowances at rates determined by the Board from time to time with the prior approval of the Government for travels undertaken to attend the meetings of the Board or the Council or a Sub-Committee as the case may be or to attend to any work of the Society.

- (2) Notwithstanding anything contained elsewhere, the Society may pay an appropriate remuneration to a Director or a Councilor who performs any special work, duty or service for the Society as has been personally entrusted to him by the Board.

41. Suits :

The Board shall be the authority to sue or be sued on behalf of the Society ; and the Secretary shall be competent to represent the Board in all such suits.

42. Control of the Government :

The Government shall guide and control the activities of the Society; and may issue such directives as they deem fit regarding policies to be

followed by the Society ; and such directives shall be binding on all the authorities of the Society.

43. Validity of Proceedings :

- (1) All or any of the powers and functions vested in or exercisable by the Board shall be capable of being performed or exercised by a majority of the Directors present at a meeting of the Board and any action or decision of such majority shall be as valid and effective as that of all the members of the Board.
- (2) No action or decision of the Board or the Council shall be invalid, because there is any vacancy in or there is any imperfection in the constitution of the Board or the council as the case may be.

44. Amendments :

- (1) The Council shall have power to amend all or any of the provisions contained in these articles.
- (2) Any amendment of these articles shall be made only at a meeting of the Council which has been convened after giving specific notice of the proposal to effect such amendment; and the amendment shall be carried only if two thirds of the members present and voting at the meeting of the Council, vote for the amendment.
- (3) Any amendment of these articles effected by the Council shall be operative only after it has been approved by the Government.

45. Assets on dissolution :

In case the Society is dissolved or cannot function for any reason, the assets of the Society shall vest in the Government of Kerala and shall be utilized by the Government for fulfilling the aims and object of the Society.