

Repairs and Maintenance Fund

A Co-operative Society is required to establish Repairs and Maintenance fund. The contribution to the Repairs and Maintenance fund is to be decided at the meeting of General Body of Society. However, the minimum contribution to the fund must be 0.75% per annum of the construction cost of each flat. This fund may be utilised by the committee for meeting the expenditure on maintenance of Society's property and its repairs and renewal.

These expenses are the normal Repairs and Maintenance Expenses. The limit of one time expenditure as per the Standard Bye-Law is Rs. 25,000/- up to 25 Members, Rs. 50,000/- when the Membership is 26 to 50 and up to Rs. 1,00,000/- in case the Membership exceed 50. If one time expenditure on Repairs and Maintenance of Society's property exceeds the above referred limit, prior sanction of General Body is necessary.

The General Body shall also decide the limit of expenditure up to which the expenditure for Repairs and Maintenance of the property of Society can be incurred by the committee without going through the process of tendering. As such when the expenditure exceeds the limit fixed by the General Body for tendering process, the Managing Committee must invite tenders and place the same before the General Body for approval and entering into contract for such Repairs and Maintenance.

The Amended Bye-Laws also include a provision to the effect that the General Body of the Society shall decide the limit of expenditure that may be incurred on Repairs and Maintenance of the property of Society during a Co-operative year.