

## **HYDERABAD MUNICIPAL CORPORATION ISSUE OF STOCK CERTIFICATES BYE LAWS, 1973**

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## **HYDERABAD MUNICIPAL CORPORATION ISSUE OF STOCK CERTIFICATES BYE LAWS, 1973**

In exercise of the powers conferred under Section 586 (48) read with Section 166 (1) and (4) of the Hyderabad Municipal Corporations Act, 1955 (Hyderabad Act II of 1956) the Municipal Corporation of Hyderabad makes the following bye-laws

### **1. Short title and commencement :-**

(a) These bye-laws may be called the Municipal Corporation Issue of Stock Certificates Bye-laws, 1973

(b) They shall come into force from the date of publication in the Andhra Pradesh Gazette (i.e. 16-8-1973)

### **2. Definitions :-**

In these bye-laws, unless the context otherwise requires;

(i) 'Act' means the Hyderabad Municipal Corporations Act, 1955 (Hyderabad Act II of 1956.)

(ii) 'Bank' means the State Bank of Hyderabad at Hyderabad or Secunderabad acting as Agent for the Corporation by and through the Commissioner or any other officer authorised by him in this behalf.

(iii) 'Corporation' means the Municipal Corporation of Hyderabad.

(iv) 'Debenture' means a debenture issued under the Act, or any other Municipal Act and which has been in force from the date of carrying into force of the Hyderabad Municipal Corporation Act, 1955, but excluding a debenture transferable otherwise than by endorsement.

(v) 'Section' means section of the Act.

(vi) 'Standing Committee' means the Standing Committee of the Corporation. (b) Words used but not defined in these bye-laws shall have the meaning assigned to them in the Act. (c) Unless there is anything repugnant in the subject or the context words in the singular number shall include the plural and vice versa

### **3. Form of Stock certificate :-**

A stock certificate issued by the Standing Committee under Section 166 (1) shall be in accordance with Form A' appended to these bye-laws.

### **4. Stock certificate units :-**

Stock certificate may be issued in sums of Rs.500/- or in multiples of that sum.

### **5. Conversion of Debentures to Stock :-**

Subject to the requirement of bye-law 4, a subscriber to/for or a holder of a debenture may make an application in Form 'B' appended to these bye-laws to the Standing Committee through the Bank for the issue to him of a stock certificate or stock certificates in respect of the loan to which the debenture relates. The holder of a debenture already issued must draw all interest accrued thereon upto the end of the preceding half year before making the application, and must tender the debenture along with the application endorsed under his signature "Pay to the Commissioner, Municipal Corporation of Hyderabad" any number of

debentures of the same loan may be included in one application.

**6. Consolidation of Stock Certificates :-**

A holder of a stock certificate wishing to consolidate two or more stock certificates of the same loan may do so by tendering them to the Bank with an endorsement on each of them, as in Form 'D' appended to these bye-laws.

**7. Sub Division of Stock Certificates :-**

A holder of a stock certificate wishing to sub-divide it may do so, subject to the requirement of Bye-law 4, by tendering it to the Bank with an endorsement as in Form 'E' appended to these bye-laws.

**8. Fee for issue of Stock Certificates :-**

Except as provided in Bye-law 17, a fee at such rate as may be fixed by the Corporation under Sub-section (4) (b) of Section 166 of the Act, shall be payable to the Corporation upon the issue of every stock certificate irrespective of value.

**9. Register of Stock Holders :-**

A register in such form as may be determined by the Corporation under sub-section (4) (e) of Section 166 of the Act, shall be kept by the Bank containing the names and addresses of the holders of stock and such other particulars as may be required.

**10. Change of Registered Address :-**

The address of any holder of stock entered in the register hereinafter called his registered address' shall be deemed to be his address for all purposes connected with the holding unless and until he gives to the Bank notice in writing of changes of that address, in which case the new address shall be entered by the bank in the register and shall be the registered address.

**11. Payment of Interest on Stock :-**

Interest on stock will be paid by warrants issued by the bank. The warrant for interest due upon any stock will be sent by post to the holder at his registered address, or if so desired by him to his bankers or agents, provided that full and sufficient directions have been furnished in writing to the Bank, in which case the directions will be acted upon at each half year until any change is notified in writing to the Bank. The presentation of the relative stock certificate or certificates is not required for the payment of interest.

**12. Notice of Change of address :-**

The warrant for interest will usually be posted on the day before the day on which the interest falls due. Any notice of change of registered address of the holder or of the address of the Holder's banker or agent must reach the Bank at least three clear days before the said date as otherwise the warrant will be posted to the address previously recorded.

**13. Joint Holders of Stock :-**

When two or more persons are joint holders of any stock, any one of these persons may give an effectual receipt for any interest payable in respect of each stock unless notice to the contrary has been given to the Commissioner by the other holder.

**14. Payment of Interest :-**

No Acknowledgment of Title Any payment of interest and any record of acknowledgment of any payment of interest is not to be deemed or taken to be an acknowledgment of the title of the holder of any stock.

**15. Mode of Transfer of Stock :-**

A Transfer of the ownership of stock can only be carried out by means of a written instrument of transfer which shall be in accordance with Form F' appended to these bye-laws and shall be executed by both the transferrer and the transferee whose signatures must be attested by at least one witness.

**16. Fee on Registration of Transfer :-**

The instrument of transfer accompanied by the relative stock certificates must be lodged at the office of the Bank, and a fee at such rate as may be fixed by the Corporation under sub-section (4) (c) of Section 166 of the Act shall be paid for registration of the transfer. Upon the transfer being duly registered, a new certificate will be issued to the transferee, for which no further fee will be charged.

**17. Verification of Transfer :-**

The Bank, may, in such cases as it considers necessary require the verification of the signature of the transferee before a Magistrate, before admitting the transfer.

**18. Closure of Transfer Books :-**

The books of the Bank relating to transfer of stock will be closed for the preparation of interest warrants for one month before the date on which interest falls due, and during the period of closure no transfers will be registered.

**19. Issue of Duplicate Stock Certificates :-**

When a stock certificate is alleged to have been lost, stolen or destroyed, a duplicate stock certificate may be issued upon proof to the satisfaction of the Commissioner that the original stock certificate has been lost, stolen or destroyed, as the case may be, and upon payment of such fee as is fixed for the issue of an original certificate.

**20. Issue of Duplicate Interest Warrants :-**

When a warrant for interest on stock is alleged to have been lost, stolen or destroyed, the person claiming to be the person to whom but for the loss, theft or destruction it would have been payable, may, on application to the Bank, obtain a duplicate warrant, provided that no duplicate warrant shall be issued until after the expiration of thirty days from the date of receipt of the application, and not until the applicant has given such indemnity as may be required by the Standing Committee against the claims of all other persons for payment under the said warrant.

**21. Communication to the State Bank of Hyderabad :-**

Any application to, or any tender or communication intended to be received by the Bank must be addressed to the Manager, the State Bank of Hyderabad, Pathergatti (Hyderabad) or Secunderabad or any other officer authorised by him in this behalf.