

Bye-laws

Of

The Jharkhand State Adivasi Cooperative Vegetable Marketing Federation Ltd., Ranchi.

1. Name and Address:-

The Society which is registered under the Jharkhand and And Orissa Co-operative Societies Act (Act vi of 1935) shall be called the Jharkhand State Adivasi Cooperative Vegetable Marketing Federation Ltd, and its registered office shall be Ranchi. It has been referred to in these bye-laws briefly as "Federation".

In the event of any change in the address of the registered office, notice there of shall be sent within 15 days of such change to the registrar, Cooperative Societies , Jharkhand , to the Jharkhand cooperative Federation , Ranchi and to the Jharkhand State Cooperative Bank Ltd, Ranchi.

2. Area of Operation:-

The area of operation of the federation shall be whole Jharkhand State, it may open branches with the prior approval to the Registrar, Cooperative Societies, Jharkhand inside or outside Jharkhand for carrying out any or all of its Objectives.

3. Objectives:-

The Objectives of the Federation shall be in general to

Promote the economic interest of the members on Cooperative basis and in Particular:-

a) To Purchase agriculture produce particularly Vegetables, fruits , eggs, and poultry and fish of the members to their best advantage directly or Through :-

i. Primary Vegetable Growers' Cooperative Societies ,

ii. LAMPS(Large Area Multipurpose Societies),

iii. Vyapar Mandal Sahyog Samiti.

iv. Vegetable Growers' Cooperative Union

v. PACS(Primary Agriculture Cooperative Societies)

b) To provide finance to LAMPS/ primary Vegetable Growers Cooperative Societies /Vyapar Mandal Sahyog Samities/PACS/Vegetable Growers Co-operative Union for Procurement of vegetables/ Fruits and other such Produce from primary cultivators.

c) To Undertake processing and manufacturing products derived from vegetables/ fruits and other such produce

- d)** To help in the activities of promotion of production and processing of vegetable/ fruits/ and other such produce by providing improved seeds/seedlings, plantation, fertilizers, necessary implements technical knowledge and financial assistance.
- e)** To enter into all kinds contracts and transaction relating to purchase and sale of vegetables/ fruits and such other produce with a view to the gradual elimination of middlemen and thus ensure fair price to the primary cultivations.
- f)** To take all steps for increasing production of vegetables / fruits and other such produce and their better marketing.
- g)** To acquire and hold shares in any cooperative society in the best interest of the federation
- h)** To take necessary steps to safeguard the interest of the affiliated societies.
- i)** Generally to undertake such other business and do such other things as are incidental and conducive to the promotion and attainment of the above Objectives.

4. Share Capital:-

- a) The authorized share capital of the federation shall be rupees ten crores (Rs 10,00,00,000) divided into 2,00,000 Share of Rs 500 each, the value of each share shall be paid either in one lump sum or in a number of installments as may be fixed by the Board of Directors of the Federation.
- b) Every member shall on admission pay an admission fee of Rs 20/-
- c) The state Govt may contribute any amount towards the share capital of the federation.
- d) Every affiliated society shall collect Rs one per quintal or part there or as share capital contribution in a year from each of the producer member whose produce it purchases, at least 45% of the total share contribution collected by the affiliated societies in the above manner shall be contributed by the affiliated society each towards the share capital of the Federation.

5. Funds :-

- a) The federation may obtain funds from the following sources.
 - i. Share subscription,

- ii. Deposits
- iii. Borrowings
- iv. Subsidy
- v. Admission fee
- vi. Miscellaneous

6. Borrowing powers:-

The maximum borrowing power of the federation shall not exceed 15 times of its paid up share capital and the Reserve fund except with the special sanction of the Registrar, Co-operative Societies.

7. Membership :-

The following shall be eligible for membership of the Federation:

- a. Lamps /Primary Vegetable growers cooperative societies / PACS/VMCS/VGCU
- b. Government of the Jharkhand
- c. Any statutory body with the prior approval of the Registrar, cooperative Societies

(In addition to those who joined in the application for registration and those who subsequently admitted by the board of director in accordance with the bye-laws of the federation shall be the members)

8. Cessation of membership:-

An affiliated society shall cease to be a member of the Federation when-

- i. It is expelled.
- ii. Is disqualified.
- iii. Dissolved or Liquidated.

9. Suspension and expulsion of members:-

- a. The Board of director may expel or suspend pending completion of enquiry any affiliated society for-
 - i. Being guilty of carelessness or bad working
 - ii. Willful disobediences of these byelaws or any rules which may from time to time be drawn up by the federation for the guidance of society members.
 - iii. Willful default or acts contrary to the interest of the Federation.

- b. All cases of suspension or expulsion shall be reported to the next general meeting for confirmation. An appeal shall be to the registrar, cooperative societies within 30 days of confirmation of the decision by the general meeting against any order of suspension or expulsion and his decision shall be final.

10. Refund of shares :-

In the event of cessation of membership on any ground other than default of share payments, the net value of shares held by a member after deduction of the member's dues to the Federation shall be paid to the member within six months from the date of cessation of membership, except in case of dissolution of the society when such amount shall be paid to the liquidator of the society or to the person who is legally in possession of the assets of the society.

11. Transfer of shares:-

Shares may be transferred with the approval of the Board of Directors to members or to a society who is eligible for admission and whom the Board of director is willing to admit as a member, but shares must be held for a period of at least 12 months before they can be transferred.

12. Share Certificate:-

Share holders shall be entitled to certificates under the

Common seal of the Federation specifying the share or the shares held by them. If such certificate are lost or worn out they may be renewed on payment of Rs 5/ - or such fees as the Board of Directors may from time to time prescribe. All such Certificates issued shall be marked "duplicate".

13. Liability of share holders:-

- a. The liability of the shareholders for the debts of the federation shall be limited to the face value of the shares held by them.
- b. The liability of past members to the extent mention in the clause (a)above for the debts of the federation as they existed on the date of its ceasing to be a member shall continue for a period of two years from such date.
- c. Nominated and ex- office members shall not be required to purchase any share or shares nor will they have any financial liability for any bonafide action connected with performance or functions concerning the federation.

14. General Body:-

The supreme authority of the Federation is vested in the General Body consisting of the following members:-

- i. One representative from each member society to be elected by the General Body for the purpose by such society from time to time.
- ii. Representative of the state government / one fifth of the

Members of the general body shall constitute the quorum.

- 15.** The General meeting shall be of three kinds, ordinary, extra - ordinary and special. The General meeting shall maintain a general supervision over the business of the Federation especially over the acts of the board of directors and shall take all steps that may be considered necessary in the interest of the Federation.
- 16.** An ordinary General meeting shall be convened within six months of the close of the cooperative year to transact the following :-

 - i. To receive and consider the annual report and the statement of accounts submitted by the Board of Directors and to review the work of the federation during the past year. In case the audited statements of accounts are not ready the same shall be considered at the next General meeting.
 - ii. To elect for the ensuring term in accordance with these byelaws (no. 20), Members of Board of Directors. The Chairman shall preside at the meetings of General body and the Board. In the absence of the chairman, Director in the case of the Board meeting and any member of the General Body meeting elected for the purpose will preside.
 - iii. To review the work of its officers and to hear and decide all appeal from the decisions of the Board of Directors.

- iv. To decide the maximum amount of liabilities which may be incurred by the Federation subject, however to the provision of the bye laws 6.
- v. To take notice of all subjects which affect the financial position of the Federation.
- vi. To transact any other business that may be brought up.

17. Extra- ordinary General meeting:-

- i. The Board of Directors may, whenever it thinks fit and shall upon a requisition in writing made by one tenth of members of the General body convene an Extra - Ordinary General meeting within a month from the date of such requisition.
- ii. Notice of a General Meeting mentioning the places date and hour of the meeting and the business to be transacted, shall be circulated at least 15 days before the date of the meeting.

18. Special General Meeting :-

Special General Meeting shall be called at the written Requisition of the Registrar, Cooperative Societies or other person authorized by him at the headquarters of the federation and at such time and date as specified in such requisition for consideration of such matters as may be specified thereon.

If at the hour fixed for an ordinary or extra ordinary general meeting quorum is not forthcoming the chairman shall, if the meeting has been called on the requisition of members, dissolve it, if otherwise convened, he shall postpone the meeting to a date not less than seven days and not more than a fortnight later and the business to be transacted at the postponed meeting shall be the same and no other than that proposed for the original meeting. At such postponed meetings if a quorum is still not forthcoming resolutions may be carried by majority of three fourths of the number of delegates present.

19. Quorum:-

The presence of one third of the members of the Board of Directors shall form quorum for the Board's meeting and for the Annual General Meeting, one-fifth of the members enrolled as on 31st March shall form the quorum.

20. Management:-

- A. The executive Management of the federation shall vest in a Board of Directors consisting of 13 members. The constitution of the Board of Directors shall be :-
- i. Secretary, Co-operative Department Jharkhand, Ranchi-
Ex-officio-Chairman.
 - ii. Registrar or his nominee.
 - iii. Managing Director of the federation Ex-officio-member-secretary.
 - iv. Three Directors to be nominated by Registrar Co-operative Society, Jharkhand, Ranchi.

1. H.O.D, Horticulture, Birsa Agriculture University.
 2. Director, Horticulture, Jharkhand, Ranchi.
 3. Managing Director, Agriculture Marketing Board, Jharkhand, Ranchi.
- v. Seven Directors to be elected amongst the delegates of the affiliated societies out of which 4 must be tribal.
- B. First Board will be nominated by the State Govt. for three years.
- C. No representative of a member society shall be eligible for being elected as Director if the member society is in default to the Federation for a period exceeding three months preceding the date of the election.
- D. The office of a Director shall be so facto be vacated :-
- i. if the membership of the society he represents stands terminated under byelaws no. 8 or
 - ii. if he ceases to be member of the member society he represents or
 - iii. If he resigns his office by a notice in writing and is accepted by the Board of Directors.
 - iv. if he acquires disqualification under the Act and Rules, and
 - v. if he absents himself from four consecutive meeting of the Board without permission of the Board and his absence is not condoned by the Board, or
 - vi. The Registrar shall have power to substitute at any time the nomination of any Director or Directors nominated by him.

21.

- a) The Board of Directors shall meet at least once in every three months.
- b) If an elected member of the Board of Directors ceases to be member of the Federation, the Board shall appoint another member to take his place till the next General Meeting of the Federation. The Vacancy caused in the panel of the nominated member, will be filled by the Registrar. No defaulter shall be eligible for election and a member of the Board of Directors of the Federation, if he defaults after election he shall be removed by the Board of Directors.
- c) A minute book shall be maintained by the managing Director in which the names of members present and the proceedings of each meeting shall be recorded. The proceedings of each meeting shall be signed by the chairman and the members of an item of business involving a money transaction the voting of each member shall be recorded. It shall be open to inspect by all members.

22. No member shall be present at any meeting of the Board in which he has a personal interest or in which he himself or his conduct is a subject of discussion except with the previous permission of the chairman.

23. Subject to these byelaws and any resolution passed at a General Meeting, the Board of Directors shall have full authority to carry on the business of the Federation. The powers and duties of the Board of Directors shall in particular be

- a) To arrange for the purchase of Vegetables/fruits/other agricultural products from societies affiliated to the Federation or directly.

- b) To maintain an efficient system of transport for the activities of the Federation.
- c) To secure reasonable price to the cultivators.
- d) To provide finances and to determine the rate and amount of commission payable to the affiliated societies for purchase of vegetable/ fruits and other such produce through them.
- e) To arrange for the efficient storage (including cold storage) of vegetable/ fruit and such other produce.
- f) To exercise full administrative powers such as of appointments, promotion and punishment etc, over the staff of the federation subject to the instruction issued from time to time by the Registrar, Cooperative Societies Jharkhand, Ranchi
- g) To examine and check the books and records maintained by the federation.
- h) To institute, defend or compromised legal proceedings on behalf of the federation.
- i) To generally conduct the business of the federation.
- j) To arrange for sale of vegetable/ fruits and such other produce procured or purchased through affiliated societies or directly,
- k) To frame rules regarding any matters affecting the conduct of the federation not inconsistent with the provisions of the byelaws, Bihar and Orissa Cooperative Societies Act, 1935 (vi of 1935) and rules there under.
- l) The Board of Directors shall have power to constitute one or more sub-Committees consisting of the members of the Board of Director and other share holders of the

federation and society and any person having experiences and knowledge of cultivation of vegetable/ fruits and other and knowledge of cultivation of vegetable/ fruits and other such produce and to frame such subsidiary rules as may be necessary to regulate the work of such sub committees and from time to time shall determine the duties and functions of sub committees.

- m) To entertain and consider complaints regarding the quality and price of goods or the conduct of the officers or servants of any federations.
- n) To raise necessary funds for the federation.

24. Managing Director:

The Managing Director of the Federation shall be appointed by the State Govt. (Co-operative Department) on such terms and conditions, as the State Govt. may deem necessary and proper. He shall be the Chief Executive authority for the day to day working of the Federation and shall work under the general control and supervision of the Board of Directors.

25. Powers and duties of Managing Director:

The Managing Director shall subject to the general control of the Board of Directors be responsible for the executive administration of the Federation. He shall be the officer to sue and be sued on behalf of the Federation. All bonds and other legal documents shall be executed by him. He shall exercise such other powers as the Board may delegate to him from time to time and in particular shall have the following duties and powers :-

- i. to guide and supervision the business of the Federation in all matters;

- ii. to exercise general control and supervision on the administration of the Federation;
- iii. To appoint subject to Act and rules as many as sanctioned from time to time by the Board and / or the Chairman all salaried staff of the Federation except those appointed or disputed by the State Govt. and the Registrar, Co-operative Societies.
- iv. To appoint from time to time such number of casual workers or persons needed for specific activities in smooth running of the Federation as may be necessary for the business of the Federation and terminate their services provided that no regular appointments shall be made except in accordance with Rule 33.
- v. To suspend, remove, dismiss fine or otherwise punish salaried staff of the Federation, accordance with rules, made in this behalf by the Board subject to approval of the State Govt.
- vi. To sanction leave and increments to the said employees of the Federation.
- vii. To transfer and / or depute any salaried staff to branch / branches of the Federation for smooth running and efficient management of the Federation.
- viii. To fix the amount and nature of security, if any to be given by the members of the staff. Subject to the rules framed under the Act.
- ix. To exercise such powers as may be delegated or assigned to him by the Board and/or by the Chairman.

- x. To depute person or persons to attend conferences or meetings whenever necessary except those provided under the byelaws.
- xi. To carry on all business and correspondence on behalf of the Federation.
- xii. To determine the powers and duties of different categories of staff of the Federation and delegate power and assign duties to them working under him.
- xiii. to anticipate Board's decision in matters that cannot wait for Board's meeting without prejudice to the interest of the Federation provided that in all such matters the Chairman's approval, if possible shall be taken and all matters decided by the Managing Director in anticipation of Board's approval shall be brought before the next meeting of the Board for confirmation.

26. Deposits:-

Deposits may be received by the Federation according to such rules and the Board of Directors may frame for the purpose, consistent with these byelaws and rate of interest on such deposits shall be determined by the Board of Directors, from time to time, but it will not exceed 6.5 percent per annum.

27. Registers and Accounts:-

The following Books shall be maintained by the Federation:-

- (a) A register of members.
- (b) A register of shares.
- (c) A minute Book of the meeting of the General body.
- (d) A minute Book of the meeting of the Board of Directors.
- (e) Cash Book.

- (f) A ledger Book.
- (g) Stock register of stores and
- (h) Any other register that may be consigned necessary and may be prescribed by the Board of Directors and as directed by the Registrar Co-operative Societies.

28. Audit:-

The Accounts may be closed on the 31st March. The account of the Federation may be audited as often as the Board may desire by any such person the Board may appoint. After audit the Auditors shall give a certificate that they have duly audited the books of the Federation and shall incorporate in the certificate all defects noticed by them. The certificate shall form a part of the annual report which the Board of Directors are required to submit to the ordinary general meeting. The statutory audit of the Federation will be done in accordance with the provisions of the Co-operative Societies Act (VI of 1935) and rules and framed there under.

29. Disposal of profit:

After payment of remuneration to the other establishment and other charges incidental to management the balance will be considered as net profits which shall be disposed off by the general meeting in the following order of priority.

- a) 35th shall go in to the presence fund
- b) Up to 10 % may be set apart towards bad debt fund.
- c) Up to 10 % may be set apart towards common good fund for the common benefit of the affiliated societies.
- d) Up to 10 % may be set apart towards dividend equalization fund.
- e) 10 % or more may be set apart towards Building fund.
- f) Up to 10 % may be set apart towards development fund for pursuing the Objectives of the Federation.

- g) A dividend not exceeding 10 % or any other limit fixed by the Registrar, Co-operative Societies may be paid on paid up shares held by members for at least a year.
- h) The bonus to paid servants at a rate to be determined by General Body may be paid not exceeding two months pay.
- i) Balance if any, may be carried towards.

30. Reserve fund:-

- a) 35 percent of profit annually place in the fund
- b) Any further sum allotted to it out of the profits as otherwise.
- c) Admission fee after deduction of preliminary expense incurred constituting the Federation.
- d) The value of all shares forfeited to the Federation.

31. The reserve fund shall belong to the federation as a whole and is intended to be unforeseen losses. No member can claim a share in it. It shall be invested in such manner as the Registrar; Co-operative Societies may prescribe and not be drawn upon, except with his sanction.

32. The Reserve fund shall with the sanction of the Registrar be available for any of the following purposes:-

- i. To cover with previous sanction of the Registrar any losses arising from any unforeseen circumstances such drawing upon it being reimbursed to the fund from the next accruing profits.
- ii. To meet any call on the federation which cannot be met otherwise, such payment being reimbursed to the fund for the next accruing profit.

- iii. To serve as security for any loans, which the federation has to contract

In case of dissolution of the federation reserve fund shall be applied to such purpose, for the benefit of Cooperative movement as may be determined with the approval of the Registrar by the majority of members.

Any dispute, which cannot be decided by the General meeting or any arbitration, shall be referred to the Registrar whose decision shall be final.

33. Dissolution:-

The federation shall be wound up with the approval of the registrar, if three fourth of the total number of members and representatives of the Societies present at the General Meeting, Special summoned to consider the question, vote for it .

34. Miscellaneous:-

Every shareholder shall be supplied with a copy of the byelaws.

35. Any of these byelaws may be altered or rescinded or new byelaws may be made at a General Meeting held in accordance with the rules made by the Government in this behalf, and such amendment will come into force after it has been approved and registered by the registrar.

36. The Federation shall keep a copy of the Jharkhand and Orissa Co-operative Societies Act 1935(VI of 1935), a copy of the rules framed there under and a copy of these byelaws open to inspection free of charge at all reasonable times at its registered office.

37. All matters not specially provided shall be decided according to the provision of the Jharkhand and Orissa Cooperative Societies Act (VI of 1935) and rules framed under the acts.