

Rajasthan Cooperative Dairy Federation Ltd.

BYE-LAWS

1. NAME AND ADDRESS

The name of the Federation shall be the Rajasthan Cooperative Dairy Federation Ltd. Its Registered address shall be 'Saras-Sankul' Jawahar Lal Nehru Marg, Jaipur. Any change in the address shall be notified and a copy shall be sent to RCS within 30 days.

1.1 AREA OF OPERATION :

The area of operation of the Federation shall be limited to State of Rajasthan.

2.0 DEFINATIONS :

- 2.1 **“Act”** means the Rajasthan State Cooperative Societies Act, 2001.
- 2.2 **“Board”** means the Board of Directors of the Federation as mentioned in these bye-laws.
- 2.3 **“Chairmen”** means the Chairmen of the Federation.
- 2.4 **“Commodities”** means milk, milk product, cattle feed, raw or processed agricultural products, dairy and food packaging material equipment, machinery etc.
- 2.5 **“Federation”** means the Rajasthan Cooperative Dairy Federation Limited.
- 2.6 **“Member”** means the member of the Federation enrolled as prescribed in these bye-laws.
- 2.7 **“Milk Union”** means the District Cooperative Milk Producers Union Limited.
- 2.8 **“Managing Director”** means the Managing Director of the Federation appointed as per bye-laws of the Federation.
- 2.9 **“Programming Committee”** means Programming Committee as constituted under the provisions of these bye-laws.
- 2.10 **“Registrar”** means the Registrar of Cooperative Societies as defined in the Rajasthan Cooperative Societies Act, 2001.
- 2.11 **“Rules”** means the Rule made under the Rajasthan Cooperative Societies Act, 2001.
- 2.12 **“State Govt.”** means Government of Rajasthan.
- 2.13 **“Unit”** Fat and S.N.F. in dairy produce will be expressed in terms of unit.
- 2.14 **“General Meeting”** includes special and Ordinary Annual General Meetings.
- 2.15 **“Personnel Committee”** means the Personnel Committee of the Federation constituted under bye-law No. 28.1
- 2.16 **“Society”** means any registered Milk Producers Cooperative Society affiliated to Cooperative Milk Producers Union.

3.0 OBJECTIVES :

The Fundamental objectives of the Federation shall be:

- 3.1 To carry out activities for promoting production, Procurement, processing and marketing of the milk and milk products of economic development of the animal Husbandry/farming community.
- 3.2 Development and expansion of such other allied activities as may be conducive for the promotion of the Dairy Industry, improvement and protection of milch animals and economic betterment of those engaged in milk production. In particulars and without prejudice to the generality of the foregoing objects, the Federation may;
- 3.2 (1) Purchase Commodities from the member or from other sources, (without affecting the interests of its members) pool, process, manufacture, distribute and sell the same, so long as the processing facilities are with the Federation;
- 3.2 (2) Study problems of mutual interests, related to production, procurement and marketing of dairy and allied products;
- 3.2 (3) Purchase and/or erect building, plant, machinery and other ancillary equipment to carry out business;
- 3.2 (4) establish research and quality control laboratories;
- 3.2 (5) Provide veterinary aid and artificial insemination service and to undertake animal husbandry activities, so as to improve the animal health care and disease control facilities and assist the member unions in doing the same;
- 3.2 (6) Make necessary arrangement for transport of milk, allied milk products and commodities;
- 3.2 (7) Advise, guide, assist and control the member milk unions in all aspects of management, supervision and audit functions;
- 3.2 (8) Purchase or assist in purchasing raw material, processing material etc; or to colliaborate with someone if need arises;
- 3.2 (9) Arrange to impart training to staff of all the member unions and societies.
- 3.2 (10) Own or hold on lease or hire movable or immovable properties to carry on the business of the Federation and to dispose of the same if not required for the business of the Federation;
- 3.2 (11) Market its products under its own trade mark/brand name or with its member unions trade mark/brand name;
- 3.2 (12) Promote the organization of primary societies and assist members in organization of the primary societies;
- 3.2 (13) Plan development strategies and programme to increase the volume of production, procurement of Federation and its member unions and for effective marketing of the same;

- 3.2 (14) Render technical, administrative, financial and other necessary assistance to the member unions and enter into collaboration agreement with someone if the need arises.
- 3.2 (15) Advise the member unions on price fixation, public relations and allied matters;
- 3.2 (16) Organise welfare societies and provide funds for the welfare of the employees;
- 3.2 (17) Undertake periodical supervision of the member unions and the societies affiliated to its members union. Federation shall also have powers to recommend liquidation of any member union or primary-cooperative societies as per act & rules;
- 3.2 (18) Undertake or assist programme of research and development;
- 3.2 (19) Establish a Research and Development Association having independent existence, to contribute to its funds and raise funds for the same from member unions;
- 3.2 (20) Organise and encourage saving schemes and propagate the concept and benefits of the cooperative movement;
- 3.2 (21) Work as per directions of the Registrar regarding coordination and rendering assistance to its member unions;
- 3.2 (22) Encourage fodder production by members unions for members of the affiliated societies.
- 3.2 (23) To assist the member unions to own and rear herd of cattle as may be required to undertake the breeding programmes in the area;
- 3.2 (24) Arrange for or assist in purchase of milch animals by the member milk producers;
- 3.2 (25) And generally take whatever steps necessary or proper or conducive or incidental to the attainment of any of these objectives of the Federation.
- 3.2 (26) Prescribe and enforce standards of quality of dairy and allied produce to be marketed by Federation;
- 3.2 (27) Carry out negotiation with Government and/or other organisations for presuance of objectives;
- 3.2 (28) Suggest measures for increasing productivity of the members and assist in implementing the same;
- 3.2 (29) Undertake expert of dairy and allied produce;
- 3.2 (30) Undertake consultative services in the field of marketing;

4.0 FUNDS : Funds may be raised by :-

- 4.1 Shares,
- 4.2 Debentures,
- 4.3 Deposits,
- 4.4 Loans,
- 4.5 Grants, Adids and Subsidies,
- 4.6 Donations,
- 4.7 Entrance Fees,
- 4.8 The Federation may accept funds from any development agency or any financial institution accepting loan etc., as per the terms and conditions prescribed by such institution as may be mutually agreed upon.

The authorised share capital of the Federation shall be Rs. 100 Crores divided into 1,00,000 shares of Rs. 1,000 each and shall be paid in full on allotment.

The funds of the kind specified in 4.2, 4.3 and 4.4 above to be raised shall not exceed ten times of the total of paid up share capital and reserve fund, less, accumulated losses as provided in the Act and Rules thereunder.

5.0 MEMBERSHIP :

5.1 Membership of the Federation shall be of the following types:

- (1) Ordinary
- (2) Nominal

- 5.2 (1) Any registered Cooperative Milk Producers Union falling under the jurisdiction of Federation & State Government shall be entitled to hold ordinary membership.
- 5.2 (2) Every person except Government intending to be an ordinary member shall have to apply to the Federation in writing in the prescribed form along with the share application money of Rs. 1000/- and admission fee of Rs. 100/-
- 5.2 (3) A nominal member shall be allowed to apply to the Federation to enroll itself as nominal member provided it has dealing with the Federation. A Nominal Member, eligible for Nominal Membership shall make an application to the Federation in the prescribed form with and entrance fee of Rs. 10,000/- However, the membership to such nominal member shall be given subject to the approval of the General Meeting. However, nominal members would have no voting right & share in the profits.
- 5.2 (4) Milk Unions who have signed the bye-laws and the application of the registration shall be considered enrolled as ordinary members.
- 5.3 Every ordinary member shall hold at least one share initially but be required to subscribe 19 more shares of Rs. 1,000/- each fully paid within a year from the date of membership
- 5.3 (1) The Federation shall have the right to call upon milk union to subscribe share capital and/or debentures in proportion to the business transacted through the Federation, as may be prescribed by the Board from time to time, but subject to the bonus declared to therein.
- 5.3 (2) If the amount of share and/or debenture remains unpaid for more than six months from the due date, the Board of the Directors may take suitable action on the members as they may deem fit.

5.3 (3) No member of the federation shall exercise the right of membership unless he has fulfilled the norms for minimum essential utilization of the services of the federation as may be specified by the Register, if any, from time to time.

6.0 The liability of a member shall be limited to :-

- (i) The amount if any unpaid on share capital
- (ii) 5 times of subscribed share capital, but the liability of the Government shall not exceed face value of the share held.

7.0 A share certificate shall be issued every time, when a share is subscribed by a member.

7.1 A duplicate share certificate shall be issued in the event of loss of the share certificate/s by a member with the written approval of the Board of Directors on payment of Rs. 100 per share, against an Indemnity bond to be furnished by the member.

8.0 The properties and funds of the Federation shall be invested in accordance with the Act and Rules of the State.

9.0 No member once affiliated shall seek disaffiliation without the permission of the Registrar, unless it is dissolved.

10.0 Subject to the provisions of the State Co-operative Societies Act, any member may be expelled by a special resolution passed at the General Body Meeting for any of the following reasons :-

10.1 (1) If the member is a persistent defaulter and habitually fails to carry out its obligations to the Federation.

10.1 (2) If the member willfully deceives the Federation by false statement.

10.1 (3) If the member does any act likely to injure the reputation of the Federation.

10.2 The Board of Directors shall give such member 15 days' written Notice of the proposal to expell the member. Expulsion may involve forfeiture of all shares held by the member.

11.0 The member may transfer the share (s) after holding for at least one year to another member with the approval of the Board of Directors of the Federation. No transfer shall be considered complete, until the name of the transferee has been entered into the share transfer Register and a fee of Rs. 1.00 per share has been paid.

12.0 CESSATION OF MEMBERSHIP

An ordinary member will cease to be a member;

12.1 On resignation (If permitted by the Register);

12.2 On liquidation;

12.3 On expulsion;

12.4 On failure to fulfill the obligations mentioned in the bye-laws No. 13.

12.5 On failure to pay shares and/or debentures as called upon by the Board as per the provisions of the bye-laws.

12.6 If it has less than two lakh units dealing through the Federation continuously for three years.

12.7 An ordinary member, ceasing to be a member, shall be entitled to receive back the amount not exceeding the actual sum paid by it. On account of shares after two years.

13.0 OBLIGATIONS OF MEMBERS :-

Every member shall :

13.1 Plan the procurement scheduling as per the directives of the Federation,

13.2 Process, manufacture and market all of its dairy and allied Produce as per the directions of the Federation, Marketing of milk and milk products outside the jurisdiction of the union shall be undertaken only through the Federation.

13.3 Adhere to the programme schemes and plan provided by the Federation in respect of all the activities such as:

13.3 (1) Procurement;

13.3 (2) Production-manufacture under different brand trademarks;

13.3 (3) Organization of societies;

13.3 (4) Manufacturing of dairy and allied produce as per the quality and standard fixed by the Federation;

13.3 (5) Administrative and managerial aspects;

13.3 (6) Pricing, standard of quality and

13.3 (7) Procurement of raw material and packing material.

13.3.1 Failure on the part of the member to fulfil the above and such other obligations shall make them liable for consequential losses to the Federation as may be decided by the Board in addition to cessation of membership.

13.4 Member shall avail services offered by RCDF for exercising the right of Member.

14.0 ORGANIZATION AND MANAGEMENT :

(i) General Meeting

(ii) Board of Directors

(iii) Chairman

(iv) Managing Director

15.0 GENERAL MEETING

- 15.1 The supreme authority of the Federation shall be vested in the General Meeting subject to the provisions of the Act., Rules and Bye-laws.
- 15.2 (1) General Meeting will consist of the following :-
- (i) The Chairman of the each affiliated Milk Union enrolled as ordinary member;
 - (ii) All nominated member of the Board
- 15.2 (2) The Chairman of the Board of Directors shall preside over the General Meeting. In case of his absence, the meeting will elect a Chairman from amongst the elected members of the Board present to preside over the meeting.
- 15.2 (3) The General Meeting shall be called within a period of 6 months from the close of financial year. This be shall be called Annual General Meeting.
- 15.4 A Special General Meeting may be called at any time by a majority vote of the Board of Directors, or on requisition in writing by at least 1/5th of the members of the Federation or on requisition of the Registrar of Cooperative Societies.
- 15.5 The first meeting of members after registration shall have the same powers as are given to the Annual General Meeting.

16.0 ANNUAL GENERAL MEETING :

The Annual General Meeting shall, among other things, deal with following :

- 16.1 To confirm the proceedings of the previous General Meeting.
- 16.2 To approve the excess expenditure incurred over the sanctioned budget.
- 16.3 To approve the budget and programme of the work of the Federation for the ensuing year recommended by the Board.
- 16.4 To appoint auditor from amongst the panel approved by the Registrar, Cooperative Societies.
- 16.5 To review and approve the audit report and its compliance.
- 16.6 To consider expulsion of member, If any, as recommended by the Board in accordance with the provisions of the Act & Rules.
- 16.7 To add, alter and amend the bye-laws as and when necessary as per Act & Rules.
- 16.8 To fix the allowance to be paid to the members of the Board for attending the Board and other meetings.
- 16.9 To approve the expenditure incurred on the member of the Board.
- 16.10 To consider any other business though not included in the agenda accompanying the notice but brought forward with the consent of the Chairman and all the members present at the meeting.
- 16.11 7 Days' notice of the Agenda of the General Meeting mentioning date, place and time of the meeting shall be issued in writing to all its members in advance. Provided further that in case of Annual General Meeting. It may also be accompanied by a copy of the Annual Administration Report, the Audit Certificate (if available) and the Balance Sheet, non-receipt of such a notice by any member of general body shall not invalidate the proceedings of the meeting.
- 16.12 Prior notice is not necessary in case of the following:
- (i) A notice for a change in the order of the business of the Agenda.
 - (ii) A notice for adjournment or dissolution of the meeting.
 - (iii) A notice to refer the matter under consideration for discussion or report to the Board of Directors.
 - (iv) A notice allowed by 2/3rd of the member present.

17.0 VOTING RIGHTS :

Each member shall have one vote by virtue of its membership. Proxies shall not be allowed.

- 18.0 Special General Meeting of the Federation shall be called with 15 days notice, stating the date, time and Place at which and the purpose for which such meeting will be held.
- 18.1 Presence of more than 50% of the ordinary members shall form a quorum of any General Meeting.
- 18.2 The special General Meeting may transact any business that would have been normally transacted by the Annual General Meeting.
- 18.3 If the General Meeting can not be held for want of quorum, it shall be adjourned to a late hours on the same day as may have been specified in the notice calling the meeting or to a subsequent date not earlier than seven days and not later than fifteen days and at such adjourned meeting, the business on the agenda of the original meeting shall be transacted whether there is a quorum or not.
- 19.0 Decision shall be taken by majority of votes. In the case of equality of votes, the Chairman shall have a casting vote in addition to the votes to which he may be entitled to as a member.

20.0 BOARD OF DIRECTORS :

- 20.1 The Board will consist of the following :
- (i) Twelve members to be elected from amongst the Chairman of the affiliated Unions.

- (ii) Three nominees of the State Government (Principal Secretary/Secretary, Dairy Development, Secretary Finance or his nominee not below the rank of Deputy Secretary and the Registrar, Cooperative Societies, Rajasthan or his representative not below the rank of a Joint Registrar.)
- (iii) Managing Director of the Federation (Ex-officio-Member Secretary).
- (iv) Maximum two members to be co-opted from banking, management, finance or specialization in any other field relating to the object and activities of RCDF.

The first Board Meeting after the election of the members of the Board of Directors shall elect a Chairman from amongst the elected members of the Board, in accordance with the procedure laid-down in the Act & Rules. The Chairman shall hold office till the expiry of the term of the Board unless disqualified by virtue of bye-law No. 21. In that case, new Chairman shall be elected from amongst the elected members of the Board for the remaining term in the next Board Meeting Convened for the purpose as per rules and bye-law. All the members of the Board including the Chairman shall be honorary. No post of the Vice-Chairman shall be there in the Board.

20.2 Each member of the Board shall have one vote.

20.3 The Members of the Board nominated by Gov/Financing/other agency shall not be entitled to consent the election of the Chairman.

20.4 The Board Meeting shall be called generally with 7 days clear Notice, but can be called at a short notice if so required.

20.5 The presence of more than 50% of the Board members shall form the quorum for the Board Meetings.

21.0 DURATION OF THE MEMBERSHIP OF THE BOARD :

21.1 The elected members of the Board and office bearers shall hold office for a period of five years from the date of election. Any casual vacancy in the Board shall be filled as per provisions of section 27(4) of the Rajasthan Co-operative Societies Act, 2001.

21.1 (1) The qualification of the member Union for contesting election and for Continuing member of the Board shall be:

1. No Chairman of the Union shall be eligible for election and to continue as Director of the Board unless the Union he represents:

(a) Has fulfilled all the obligations as mentioned in the Bye-law No. 13.

(b) Has been placed in 'A' or 'B' or 'C' classification in the latest audit unless relaxed by the Government.

(c) Has supplied milk or milk products to the required quantity in the preceding year to the Federation unless relaxed in view of natural calamity etc. by the Federation.

(d) Has been ordinary member of the Federation for at least one year on the date of election.

(e) Has not incurred any of the disqualification mentioned in the Act and Rules

22.0 No member shall be allowed to participate or vote on the proceedings of any matter in which he has personal or any other interests.

23.0 All acts done by the Board or any person, acting in his capacity as a member of the Board not with standing that it is afterwards discovered that there was some defect in the appointment of such board or person, shall be valid as if the Board or any such person had been duly appointed.

24.0 The Board may meet as often as it considers necessary but it shall meet once in every three months.

25.0 The Chairman of the Union which fails to fulfill the obligations as laid down in the bye-laws, shall cease to continue as a member of the Board.

26.0 POWER, RESPONSIBILITIES AND FUNCTION OF THE BOARD:

Powers to decide the policies of the Federation shall rest with the Board. The Board of Directors shall have and exercise all such powers and enter into all such agreements, make all such arrangement, take all such proceedings and do all such acts and things, as may be necessary or proper for the due management of the Federation and for carrying out the objectives for which the Federation is established and for securing and furthering to interest subject to the provisions of the Act or such Act as shall hereafter take its place, and to any Rules which may be passed by the State Government in pursuance of the said Act and subject also to these bye-laws and/or any bye-laws which may be duly made by the Federation, without prejudice to the general powers conferred by these bye-laws, the following powers and authorities are given to and conferred upon the Board.

26.1 To approve the proceeding of the previous meeting.

26.2 To purchase or take on lease or otherwise acquire land and/buildings and/or construct building (s) for value exceeding Rs. 1.00 Lakh.

26.3 To borrow funds required form time to time to carry on the business of the Federation in accordance with and subject to the provisions of these bye laws.

26.4 To apply to Government for exemption from holding the license required for undertaking processing of Dairy produce, to generate electricity for plants etc.

26.5 To apply for the license required under the Rules of the State.

26.6 To apply for outright purchase or otherwise by way of the license or otherwise, any patent right on inventions, trade rights. Copy right of secret process of technical aid or know how which may be useful to achieve the objectives of Federation and to grant license to use the same.

26.7 To approve the recommendations of the Personal Committee Wherever required. In case Registrar's approval necessary under the Act then the same will have to be obtained prior to implementation of the recommendations.

26.8 To create funds and trusts for the welfare of the employees or ex-employees of the Federation or dependents of such persons and to support the same.

- 26.9 To Institute, conduct, defend, compound or abandon any legal proceedings by or against the Federation or its officers or otherwise concerning the affairs of the Federation and also to allow time for payment or satisfaction of any debts due and to settle any claims and/or demands by or against the Federation by arbitration or otherwise.
- 26.10 To recommend to the General Body, expulsion of any member whose conduct in the opinion of the Board is detrimental to the interests of the Federation by 3/4 majority of the membership present at the meeting.
- 26.11 To admit members and allot shares and/or debentures.
- 26.12 To call upon the members to subscribe to share capital and/or debentures as prescribed in these bye-laws in proportion to their dealings in terms of unit, with the Federation.
- 26.13 To receive Audit Note and approve its Rectification Report for placing before the next General Meeting.
- 26.14 To approve the Annual Accounts, Annual Report and to recommend Distribution of profits earned by the Federation.
- 26.15 To fix the rate of service charges for procuring, manufacturing, Processing and marketing of raw-material and allied produce Through the Federation.
- 26.16 To decide pricing policy for the dairy and allied products supplied by the members.
- 26.17 To decide taking over the management of member union as when required and asked by the Registrar.
- 26.18 To ensure against the risk of all kinds for movable and immovable properties of the Federation.
- 26.19 To fix the charges for use of its trade mark/brand name.
- 26.20 To approve the purchase and erection of plant, machinery and other assets for the business of the Federation.
- 26.21 To approve sale of any land and any other movable properties if not required for the business of the Federation as per rules and bye-laws.
- 26.22 To charge the fees for the services rendered by the Federation.
- 26.23 To review periodically and decide the conversion factor for expressing fat and SNF of dairy produce into on the recommendation of the Programming Committee.
- 26.24 To prepare Agenda for the General Meeting and fix the time, Place and date of meeting. There shall be no sub-committee from within or outside the Board.
- 26.25 To ensure compliance, terms and conditions of agreement with the financing institution for loan and grant as mutually agreed upon.
- 27.0 The Board shall be competent to frame subsidiary rules consistent with the provisions of the Act. Rules and Bye-laws for the proper conduct of the business of the Federation. These rules shall be implemented after the approval of the Registrar.
- 28.0 The Board shall have powers to issue a common seal for the business of the Federation and it shall not be used except by the authority for the Board or the Managing Director. Every deed or document to which the seal is affixed, shall be countersigned by the Managing Director and/or the Chairman as may be decided by the Board.

28.1 PERSONNEL COMMITTEE:

Personnel Committee shall consist of the following:

1. Chairman of the Federation.
2. Managing Director of the Federation.
3. One of the State Govt. Nominee on the Board.
4. Representative of the Secretary/Principal Secretary, Animal Husbandry, Government of Rajasthan)
5. If required services of the experts can also be obtained by the Committee as a special invitee.
6. The Managing Director of the Federation will not participate in decision, where his interest directly or indirectly is involved.

The Personnel Committee shall have the following powers:

1. To frame personnel Policies on appointment, placement, promotion, retirement, termination and other service conditions and to recommend to the Board for approval.
2. To recommend the administrative set up, staff requirement, qualifications, experience, job requirement, pay scales etc.
3. To work as selection board for the recruitment of the officers as specified in Rajasthan Cooperative Dairy Federation Services Rules, approved by the Registrar from time to time.

29.0 MANAGING DIRECTOR:

- 29.1 The Managing Director of the Federation shall be appointed by the State Government in accordance with the provisions of the Act.
- He shall be the Chief Executive of the Federation and shall be responsible for sound and effective management of the Federation. The Board shall by resolution vest in such Managing Director the necessary powers over and above the powers given by these bye-laws subject to such restrictions as it may determine.
- 29.2 The General powers, duties and responsibilities of the Managing Director shall be as under :-
- 29.2 (1) He shall have general control over the Administration, Management, Finance and Business of the Federation.
 - 29.2 (2) He shall purchase or take on lease or acquire any land, building or properties not exceeding the value of rupees one lakh.
 - 29.2 (3) He shall be the officer to sue or to be sued on behalf of the Federation and all bonds and agreements made in favour of the Federation shall be in his name.
 - 29.2 (4) He shall have powers for and on behalf of the Federation to endorse, sign negotiations, cheques and other negotiable instruments. He shall also sign all deposit receipts and operate on the accounts of the Federation with any Bank.

- 29.2 (5) He shall suspend, award, punishment including dismissal from service to employees of the Federation.
- 29.2 (6) He shall allow credits to buyers within limits fixed by the Board from time to time.
- 29.2 (7) He shall undertake, import and export business for/on behalf of the Federation.
- 29.2 (8) He shall carry out negotiations with be Government and other Organization.
- 29.2 (9) He shall make necessary arrangement for transport and storage of dairy and allied produce.
- 29.2 (10) He shall arrange to ensure all properties of the Federation against risk of all kinds.
- 29.2 (11) He shall arrange to impart training to the staff members of Federation, Union and Societies.
- 29.2 (12) He shall enter into agreement or contracts for purchase, sales, lease of land, building required for the working of the Federation and to execute documents on behalf of the Federation and to represent it in all legal action instituted by or on behalf of the Federation.
- 29.2 (13) He shall arrange to maintain proper accounts of the Federation.
- 29.2 (14) He shall arrange to prepare the Annual Report, the Balance Sheet of the preceding financial year and budget of the Federation for the ensuing year for placing before the Board of Directors.
- 29.2 (15) He shall convene the meeting of the Board of Director as required under these Bye-Laws and General Meeting as and when directed by the Board or found necessary or on receipt of requisition from the requisite number of members or upon requisition from the Registrar.
- 29.2 (16) He shall arrange to supervise the member unions and the Societies of member Unions.
- 29.2 (17) He shall appoint consultants, experts and fix their remunerations.
- 29.2 (18) The Managing Director shall be authorised to delegate any powers conferred on him by these Bye-laws to any of the senior officers of the Federation.
- 29.2 (19) He shall within six months of the close of every financial year, file the following returns to the Registrar namely :-
- (a) Annual report of its activities:
 - (b) Its audited statements of accounts:
 - (c) Plan for surplus disposal, as approved by the general body of the society:
 - (d) List of amendments to the bye-laws of the co-operative society, if any:
 - (e) Declaration regarding date of holding of its general body meeting and conduct of elections, when due; and
 - (f) Such other information, as the Registrar may require, from time to time
- 29.2 (20) He shall send a written information in such manner, as may be prescribed, to the Election Authority to conduct election six months before the expiry of term of Board and also send information regarding casual vacancy immediately after occurrence, as per provision of the Act.

30.0 PROGRAMMING COMMITTEE:

The Programming Committee shall consist of the following:

- (i) The Manager Director of the Federation who shall be the Chairman of Committee.
- (ii) Managing Director of the affiliated member Milk Unions.
- (iii) The Chief Quality Control Officer of the Federation.
- (iv) Secretary of Committee to be nominated be the Managing Director of the Federation

31.0 FUNCTIONS OF THE PROGRAMMING COMMITTEE :

- 31.1 The Programming Committee shall perform the following functions.
- 31.1 (1) To recommend the manufacturing programme for the ensuing year and to review it periodically.
- 31.1 (2) To recommend the minimum standard of the products to be manufactured and marketed by the Federation.
- 31.1 (3) To recommend the member Milk Unions the programme for organising the milk Cooperative and milk routes.
- 31.1 (4) To recommend the rate of various costs for manufacture, processing, commissions, packing charge, overhead charges, subscription, royalty etc.
- 31.1 (5) To recommend prices of raw-materials and/or finished products and for that matter recommend periodically the conversion factor for expressing FAT and SNF into units.
- 31.1 (6) To prescribe and recommend the terms and conditions for procurement, chilling, processing and marketing of dairy and allied products.
- 31.1 (7) To review periodically, the policies regarding procurement, processing and marketing.
- 31.1 (8) To suggest measures for increasing the productivity of the members and assist in implementing the same.
- 31.1 (9) To suggest to undertake market research and development.
- 31.1 (10) To plan procurement and production keeping in view the strategies.
- 31.1 (11) To advise and assist members in all aspects of management.

- 31.1 (12) To recommend financial, technical, administrative and other necessary assistance to the member Union and to advise entering into collaboration/agreement.
- 31.1 (13) To advise member Unions on public relations and allied matters.
- 31.1 (14) The programming Committee may, if it feels necessary, appoint a sub-committee to report on any specific problem and may, if necessary co-opt on the sub-committee a specialist in the field from among the staff members of the affiliated milk unions.
- 32.0 In case of urgency, when a particular decision can not wait till the Board meets, the decision may be carried out by a circular resolution amongst all its members and any resolution so approved by all the members duly signed shall be considered as effective and binding, as if such resolution had been passed at a meeting of the Board.

33.0 DISTRIBUTION OF NET PROFIT :

At the Annual General Meeting, the net profit shall be distributed as follows :

- 33.1 25% shall be carried to the Reserve Fund.
- 33.2 1% contribution towards the Cooperative Education and Training Fund as required under the Cooperative Societies Act.
- 33.2 (A) 3% shall be carried to the State Cooperative Renewal Fund and 2% to the Cooperative revitalization Fund.
- 33.3 An amount not exceeding 10% per annum shall be distributed as dividend on the paid up share capital, the Balance amount of the net profit after above mentioned statutory deductions shall be taken to General Fund and/or will be distributed as Bonus to member Unions in proportion to their business thought the Federation and/or as decided by the General Meeting as per provisions of Act & Rules, with the approval of the Registrar.

34.0 RESERVE FUND :

In addition to the sum in the Bye-Laws 33.1 all entrance fees, donations, other than those for specific purpose and receipts on account of forfeited shares and fines other than those collected from employees shall be carried to the Reserve Fund.

35.0 ACCOUNTS AND RECORDS :

The Financial year of the Federation shall be as prescribed by the Government from time to time. Books of accounts and other records shall be maintained as prescribed in the rules and Bye-Laws and also as directed by the Registrar with such addition as Board of Directors considers necessary.

- 36.0 In case of absence of provisions or inconsistency or repugnancy in the Bye-Laws of the member Unions the Bye-laws of the Federation shall prevail subject to the provisions of the Act and Rules.

37.0 AMENDMENTS:

None of the Bye-Laws herein contained shall be altered or amended and no provision shall be added except by the procedure laid-down in the Cooperative Societies Act. The amendment shall not take effect until it is approved by the Registrar.

38.0 SERVICE OF NOTICE:

Whereby in these Bye-Laws it is proposed that written notice shall be given to any member the delivery of such notice at the registered office of any member institute shall be considered as sufficient service of such notice.

39.0 INTERPRETATION OF THESE BYE-LAWS:

Any dispute arising at any time about the interpretation of these Bye-Laws shall be referred to the Registrar whose decision in the matter shall be final and binding on all concerned.

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(Amended Provision Dated 8.4.2015)

- 33.4 At the time of distribution of net profit an amount not exceeding 2% per annum shall be carried out in the Bad Debts Reserve Fund to meet out the provisions made in respect of bad debts in the books of accounts.

