

The Bye-Laws of
**COOPERATIVE VEGETABLE & FRUIT GROWERS
AGRICULTURE MARKETING SOCIETY LTD.**

1. PRELIMINARY

1. The Name of the Society.....Cooperative Vegetable & Fruit Growers Agriculture Marketing Society Ltd. and its registered address is.....
Any change in the address shall be notified to the Registrar within 30 days and the Society shall obtain confirmation from the Registrar regarding such change in the official record.
2. The Area of operation of the Society shall be.....
3. In these bye-laws unless there is any thing repugnant to the subject or context, the expression "the Act" means the Delhi Cooperative Societies Act 2003, and its words and expression defined in the Act and used in these bye-laws shall have the same meaning as assigned to them in the said Act and the 'Rules'. The Rules means the Delhi Cooperative Societies Rules, 2007.

OBJECTS

4. The objects of the Society shall be to promote the economic interest of its members and more particularly to arrange :
 - (i) To introduce the system of improved methods of vegetable, fruit, agriculture commodities cultivation;
 - (ii) To arrange for supply of improved seeds, manure fertilizers and improved agriculture implements;
 - (iii) To arrange for practical demonstration of the improved methods of cultivation of vegetables, fruit, agriculture commodities and to help in their introduction;
 - (iv) To arrange funds for the business of the Society;
 - (v) To arrange for the protection of crops;
 - (vi) To arrange for the storage of the vegetable, fruit and agriculture commodities.
 - (vii) To purchase, take on lease, erect godowns or shops for the use of the Society;
 - (viii) To undertake other measures designed to encourage in the members the spirit and practice of thrift self help and mutual help.
 - (ix) To do all such things as are incidental or conducive to the attainment of any or all of the above objects;

MEMBERSHIP

5. a. The members shall consist of:
 - (i) Persons joining in the application for registration.
 - (ii) Persons admitted in accordance with the bye-laws.

5. b. The Society may admit joint members provided they make a declaration in writing that a person whose name stand first in the share certificate shall have the right to vote and all the liabilities will be borne jointly and severally by them as provided in the Act, Rules and bye-laws. However if one of the joint member authorises other, the other can attend the meeting and vote.
5. c. In accordance with the procedure laid down in the bye-laws and the Rules for admission of any member, the Society may admit minors and persons of unsound mind inheriting share or interest of deceased members as its members through their legal representatives or guardians respectively. The member so admitted will enjoy such rights and liabilities as are laid down in these bye-laws and which are inconsistent with the Act and Rules.
6. Any person shall be eligible as a member provided:
 - (a) he is ordinarily resident in the area of operation of the Society;
 - (b) he is of good character;
 - (c) his age is more than 18 years except in the case of minor heir of a deceased member;
 - (d) he or she is an Agriculturist;
7. Members other than those who join in the application for registration shall be admitted by the Managing Committee in accordance with the provision of Byelaws.
8. Every member on admission shall pay Re. 10/- as admission fee which shall not be refunded in any case. He shall also sign his name or make his thumb impression in the register of members.
9. The Society shall not admit members within 30 days prior to the date of the Meeting of the General Body.
10. When a person's application for membership has been accepted by the Committee and he has paid his admission fee and the amount of his shares, he shall be deemed to have acquired all the rights and incurred all the obligations and liabilities of a member of the Society as laid down in the Cooperative Societies Act, the Rules made there-under and these bye-laws.
11. Application for admission as members and for allotment of shares shall be made to the Secretary in the form if any, prescribed by the Society for the purpose. Every such application shall be disposed off by the Managing Committee, with in one month, who shall have power to grant admission or to refuse it after recording reason for such refusal provided, however, that any person whose application has been refused by the Committee may appeal to the Registrar whose decision shall be final.
12. Membership shall cease:
 - (i) on death;
 - (ii) on expulsion under these bye-laws;
 - (iii) ceasing to hold the minimum number of share prescribed in these bye-laws;
 - (iv) on withdrawal after one month's notice in writing to the Secretary, provided that the member withdrawing does not owe anything to the Society and he is not surety for an unpaid debt and has held such shares or interest for at least one year.
 - (v) ceases to reside in the area of operation of the Society;

13. A member of the Society may be expelled by a 3/4 Votes of the Managing Committee.

- (a) if he makes default in the payment of installment of his shares; or
- (b) if he has applied to be adjudicated an insolvency or is an undischarged insolvent; or
- (c) if he has been sentenced for any offence other than an offence of a political character or an offence not involving moral turpitude and dishonesty; or
- (d) if he undertakes any profession similar to the objects of the Society; or
- (e) if he intentionally does any act likely to injure the credit of the Society or fails to observe proper discipline in regard to the work of the Society;
- (f) incur any of the disqualifications as contained in Rules;

Opportunity shall be given to a member before expulsion from membership to represent his case to the managing committee and expulsion shall not be effective unless it is approved by the Registrar.

14. Every member may nominate a person or persons to whom on his death his shares shall be transferred, but no member may nominate more than one person unless he holds more than one share and in any case unless the amount to be paid to such nominees whether by way of whole shares or by fixed proportion of the amount available for transfer, as the case may be is duly specified, when the nominees are appointed and he shall attest the nomination by putting up his signature or thumb impression in the register of members. If not admitted to membership, the nominee shall be paid the value of the shares or interest subject to the provision of these bye-laws. If any deduction has to be made from the shares of the deceased and there is more than one nominee, the amount to be deducted shall be set off against the amount due to each nominee in proportion to his interest.

15. - The Society shall have the right to set off any money due on account from the Society to a member or past member or person claiming through him in payment of any sum which he owes to the Society or for which he stands surety.

16. Subject to the provisions of the Act, notified Rules and these bye-laws, a member or the nominee or successor of any ex-member may transfer his shares to another member or applicant qualified under these bye-laws and approved by the Committee or to a share transfer funds created by the Society out of its profit and shall then be paid the value of his shares, less any sum due from him to the Society.

No transfer of shares or interest shall however, be made unless a member has held such shares or interest for not less than one year.

No transfer of shares shall in any case be more than the sum received by the Society in payment thereof.

CAPITAL

17. The Capital shall be composed of:-

- (a) an undetermined number of shares of the value of Rs. 100/- each;
- (b) deposits from members and loans from financing Institutions as well as Govt.;
- (c) donation and grants;
- (d) realised profits.

18. The funds of the Society when not employed in its business shall be invested or deposited as required under Section 56 of the Act and Rules framed there-under.

SHARES

19. Every member shall purchase at least one share and no member shall hold shares of which the nominal value exceeds Rs. 20,000/- or 1/10th of the total share capital actually subscribed, whichever is less. If any member by inheritance or otherwise becomes possessed of more than the maximum holding permitted under the Rules, the Managing Committee shall have the power to sell the excess number or buy them on behalf of the Society and to hold the proceeds at his disposal.
20. Shares subscribed by a member shall be paid in full.

LIABILITY

21. The liability of the members for any deficit in the assets of Society shall be limited to five times of the value of their subscribed shares.

GENERAL MEETINGS

22. The first General Meeting of the members shall have the same powers as are provided under Rule 46(2).

The first General Meeting shall be called within a period of 180 days from the date of its registration. In this meeting, the following business shall be discussed and decided:-

- (a) Approval of allotment of shares, amount collected and amount spent in connection with the registration of the Society before registration.
 - (b) Election, of the Managing Committee.
23. (a) The Annual General Meeting of the members shall be called within a period 180 days after the date fixed for making up its accounts for the year under the rules for the time being in force. A special General meeting may be called at any time by the Managing Committee and shall be called by the Secretary or President on receipt of the requisition from 1/5 of the total number of members or from the Registrar of Cooperative Societies or any person authorised by him;
- (b) In case of the Annual General Meeting the date, time and place of the meeting shall be announced at least 15 days clearly in advance as in that of Special General meeting at least 7 days in advance by a written notice published on the Notice Board of the Society and circulated to the members by Under Postal Certificate or through Courier Agency duly approved by the Govt..
 - (c) (i) Provided further that if such meeting is not held by the Society within the period, Registrar or any person authorised by him may call such meeting in the manner prescribed and that Meeting shall be deemed to be a General meeting duly called by the Society and the Registrar may order that the expenditure incurred in calling such a meeting shall be paid out of the funds of the Society or by such person who, in the opinion of the Registrar, were responsible for the refusal or failure to convene the General Meeting.
 - (ii) If within an half hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned for 15 minutes and shall be held without quorum but if the

meeting is called upon the requisition of the members (not the Registrar) it shall stand dissolved, provided that at the adjourned meeting, no quorum shall be necessary.

- (iii) The presence of the 1/3rd of the total number of the members subsisting as such on the date of notice of the meeting subject to a minimum of 10 members shall be necessary for the disposal of any business at the General Meeting. Each member shall have one vote irrespective of the shares held by him. The Chairman shall have a casting vote in addition. No proxy shall be allowed to vote. Defaulter member shall have no voting right.

- d. The president or the Vice-President, or in their absence one of the other member elected for the purpose shall preside over the meeting.
- e. Unless otherwise provided in these bye-laws, the ultimate authority in all matters relating to the business of the Society shall vest in the General Body.

24. Without prejudice to the general provisions of the Act and Rules, the powers of the General Body shall be as under:

- (i) to elect, suspend or remove members of the Managing Committee including a President and one or more Vice-President;
- (ii) To consider annual report of the Society, its audited balance sheet and profit and loss account and the inspection notes of the Registrar or of any person authorised by the Registrar to inspect;
- (iii) to dispose off profits in accordance with the Act, notified Rules and these bye-laws;
- (iv) to fix subject to the approval General Body, the maximum borrowing limit of the Society;
- (v) to amend the bye-laws, subject to the approval of Registrar;
- (vi) to consider any other business with the permission of the Chairman of the General Body.
- (vii) to frame welfare scheme for the members.

25. All business discussed or decided at the meeting the General Body shall be recorded in a proceedings book which shall be signed by the Chairman and Secretary or Chief Executive Officer.

26. (a) The amendments of bye-laws shall only be carried out by a majority of not less two thirds members of the Society present in the meeting. Such amendments shall be forwarded to the Register for registration within a period of 30 days from the date of meeting.

All other questions before the General Meeting shall be decided by the majority of votes.

- (b) If it appears to the Registrar that an amendment of a bye-law of a Cooperative Society is necessary or desirable in the interest of such Cooperative Society, he may call upon the Cooperative Society to make the amendment.
- (c) The Registrar may be serving a notice inform/call upon a Society to make an amendment within a period not exceeding 60 days.
- (d) After the expiry of the period specified in the notice under Clause (26) C if the Society fails to make the amendment, the Registrar after giving the Cooperative Society an opportunity to hear, may register the amendment and issue to the Cooperative Society a copy of such amendment certified by him with a certificate signed by him. With effect from the date of registration, the amendment is binding on the Cooperative Society and its members subject to appeal, if any.

- (e) All amendment of the bye-laws relating to the same Cooperative Society when registered by the Registrar shall be assigned a consecutively number in chronological order and shall be noted in index to the bye-laws to be maintained by the Cooperative Society in the registration file.

MANAGING COMMITTEE

27. (a) The Managing Committee shall consist of atleast 5 members of the Society and not more than 15 over the age of 21 including a president and one or more Vice-President and two seats shall be reserved for women members. President and in his absence Vice-President or one of the other member elected for the purpose shall preside. Each member of the Committee shall have one vote but the Chairman shall have a casting vote, in addition.
- (b) The Committee Members shall be elected and hold office for three years and shall be eligible for re-election. These office bearers shall also not be eligible to hold such office on a Committee of another Cooperative Society of the same type or on the Committee of more than three different types of Societies.
- (c) The election of the Managing Committee shall be by Secret Ballot, in the manner given in Schedule-II of the Delhi Cooperative Societies Rules, 2007. The Managing Committee shall appoint the Returning Officer who shall not be employee or member of the Society.
- (d) The meeting of the Committee shall be held when necessary and shall be called by the Secretary or President on receipt of a requisition from three or 1/3rd members of the Managing Committee, whichever is more or from the Registrar, Cooperative Societies, or any person authorised by him. The Managing Committee shall cause minutes of all proceedings of its meetings to be entered in the book maintained for the purpose in hand-written at the spot in the presence of members present and voting. The minutes of each meeting shall contain the names of the members, if any, dissenting from or not concurring in any resolution. At the end of the meeting, each member present and voting shall sign them. If the minutes are not made and recorded in this manner, they shall not be considered valid and it shall be deemed that no such meeting was duly called and held.
- (e) The meeting shall be held as often as required but a meeting shall be held atleast once in every month.
28. A member of the Committee shall cease to hold office if he:
- (i) Cease to be a member of the Society;
 - (ii) Applies for insolvency or is declared insolvent;
 - (iii) Becomes of unsound mind;
 - (iv) Is convicted of any offence involving dishonesty or moral turpitude;
 - (v) Resigns and his resignation is accepted by the Committee;
 - (vi) Holds any place of profit under the Society or receives any salary;
 - (vii) Fails without showing satisfactory reasons to the Committee to attend three consecutive Committee Meetings;
 - (viii) Ceases to be an agriculturist.

29. The Committee shall exercise all the powers of the Society except those reserved for the General Meeting, subject to any regulation, restrictions laid down by the Society in a General Meeting and it shall have the following powers and duties :-

- (i) to observe in all their transactions, the Act, the Notified Rules and these bye-laws;
- (ii) to maintain true and accurate accounts of all money received, expended and all stock bought and sold;
- (iii) to keep a register of members correct and up-to-date;
- (iv) to keep true accounts of assets and liabilities of the Society;
- (v) to prepare and lay before the General Meeting the Annual profit and Loss account and Audited Balance Sheet;
- (vi) to examine the accounts, sanction contingent and other expenditure and supervise the maintenance of the prescribed registers;
- (vii) to consider the inspection notes of the Registrar and any other person authorised to inspect by the Registrar and take necessary action;
- (viii) to elect, suspend members and issue new and transfer old shares;
- (ix) to summon General Meeting in accordance with these bye-laws;
- (x) to contact loans subject to any restrictions imposed by the Registrar or General Meeting and to make necessary arrangements for its repayments;
- (xi) to decide the terms on, the periods for and the rates of interest at which deposits are to be received and to arrange for the payments on such deposits;
- (xii) to arrange for the adequate storage of the produce of members for its marketing thereafter;
- (xiii) to assist the inspection of the books by any person authorised to see them;
- (xiv) to appoint, suspend, punish and dismiss employees subject to conditions laid down by the Managing Committee from time to time and to take proper securities from them as prescribed by the committee;
- (xv) through any member or officer or employee of the Society or other persons specially authorised to institute, conduct, defend, compromise, refer to arbitration or abandon legal proceedings by or against the Society or Committee or the officers or employees concerning the affairs of the Society;
- (xvi) to acquire on behalf of the Society shares in other registered Cooperative Societies;
- (xvii) to invest the surplus funds of the Society in accordance with Section 56 of the Cooperative Societies Act;
- (xviii) to purchase, sell, hire or otherwise acquire and dispose of property on behalf of the Society;
- (xix) to fix the scale of the salaries to be paid to employees;
- (xx) to appoint a Treasurer to keep the money of the Society and to require him to give such security as it may deem sufficient;

- (xxi) to carry on the business of the Society in the absence of the Treasurer, the Managing Committee by appointing one of the members of the Committee to take charge of all moneys received and generally to carry on the duties of the treasurer. The person thus appointed shall hand over the money thus received to the Treasurer immediately on return;
- (xxii) to appoint a Secretary to fix his remuneration, if necessary with the approval of the Registrar;
- (xxiii) to distribute the duties between the Secretary and other employees, if necessary;
- (xxiv) to arrange for the safe custody of the property of the Society and to maintain it in a good state of affairs and when necessary to arrange for its insurance;
- (xxv) to arrange for the internal checking of the accounts atleast once in every quarter;
- (xxvi) to accept or reject the resignation from the Committee Members and in case of acceptance, to co-opt another member till the election;
- (xxvii) to decide the terms on which Fruits, Vegetable and Agriculture products of its members shall be marketed through it or stored by it;
- (xxviii) to arrange for any expert advice in regard to cultivation of vegetable, fruit and agriculture products produced by its members;
- (xxix) generally to carry on the business of the Society.

In the conduct of the affairs of the Society, the Committee shall exercise the prudence and diligence of ordinary men of business and shall be responsible for any loss sustained through acts contrary to the law, the notified rules and these bye-laws.

- 30. No member of the Committee shall receive any salary regarding for his work as a member of the Committee.
- 31. All business discussed or decided at a meeting of the Committee shall be recorded in a proceedings book which shall be signed by the Chairman and Secretary of the meeting and all the members of the Committee present.
- 32. The Committee of the Society shall specify which of the officer of the Society shall:-
 - (a) keep the books of accounts;
 - (b) keep other books and registers; and
 - (c) prepare returns and statements.

Provided that a person charged with the keeping of accounts shall not be the in charge of cash.

If the Committee of a Cooperative Society has not specified the officers required to be specified in Clause-32 notwithstanding anything contained in the bye-laws of the Society the following officers shall be responsible for keeping accounts, record as indicated against each namely :

(a) Treasurer

He shall keep or cause to be kept all the books of accounts and vouchers and shall prepare or cause to be prepared annual profit and loss account, receipt and disbursement account and the balance sheet, whosoever may be writing these books of accounts, they shall always be deemed to be in his custody,

possession, power and control of the treasurer. He shall be responsible for their safe delivery to his successor after making a list of documents handed and taken over.

(b) Secretary

He shall keep or cause to be kept all other records of the Society and shall be responsible for preparation and submission of various returns to the Registrar, whosoever may be keeping these records, and these shall always be deemed to be in his custody, possession, power and control of the secretary. He shall be responsible for making over the charge of this record to his successor under proper charge, record to be signed by the relieving and the relieved officers.

33. Every Cooperative Society shall from time to time determine in a meeting of the Committee the minimum members of paid staff required for the business. The Committee shall prescribe their qualifications and experience and the emoluments. The Committee shall be competent to appoint, dismiss or remove any paid staff.

PRESIDENT

34. The President shall supervise and control the affairs of society. He shall preside over meetings and in case of equality of votes, he shall have casting vote in addition. He may also be delegated powers by the Managing Committee.

REGISTERS

35. The following registers and papers shall be maintained and shall be open to the inspection of any one interested in the funds except no one shall be allowed to see the deposit account of any person without that person's consent in writing :-
- (i) Register of members showing the name, address and occupation of every member, the number of shares held by him, the date of admission of membership, the date of termination of membership and the name of the nominees appointed by him along with his relation with nominee;
 - (ii) Cash Book showing the income, expenditure and balance on each day on which business is done;
 - (iii) Ledger account for each member, depositor, creditor, miscellaneous income, expenditure etc;
 - (iv) Share allotment register;
 - (v) Stock register;
 - (vi) Seperate minute book for the proceedings of the meetings of the General Body and those of Managing Committee;
 - (vii) The register of application for membership containing the name and address of the applicant, the date of receipt of application, the number of shares applied for and in case of refusal, the date of communication of the decision refusing admission to the applicant; and
 - (viii) Any other register prescribed by the registrar or required by the Society for its business.
36. Copies of the bye-laws and the balance sheet shall be supplied free on demand to any member. The last balance sheet shall be open to public inspection during all office hours.

AUDIT

37. The account of the Society shall be audited atleast once a year by an Auditor appointed by the society out of the approved panel of CA by Registrar. The Society shall pay audit fee to the auditor in such manner as may from time to time fixed by the Registrar, Cooperative Societies, Delhi.

DISTRIBUTION OF PROFITS

38. The net profits as per audited balance sheet shall be distributed as follows:-
- (i) Not less than 25% of the net profit shall be carried to the Reserve Fund;
 - (ii) Not more than 5% of the net profits left after the Reserve Fund has been credited may be carried to a Common Good Fund which shall be spent on any charitable purpose, as defined in Section 2 of the Charitable Endowment Act, 1890;
 - (iii) Not less then 5 % of the net profits may be credited to the Bad and doubtful Fund.
 - (iv) Not more than 18% per annum may be distributed as dividend on the value of shares actually paid up;
 - (v) The Society shall credit a sum calculated at two percent of its net profit subject to a maximum of Rs. 15000/- every year as contribution to the Coop. Education Fund to be administered by the Registrar. The Registrar may frame regulation for the utilization and administration of the Fund. This shall be kept with the State Bank of India. Any such amount payable by the Society shall be a charge on the funds of the Society.
39. No dividend shall be paid while any claim due from Society to a depositor or a creditor remains unsatisfied.
40. Members shall have no right to the dividend unless declared and approved by the General Body. The dividend shall be paid to all members within three months of the approval of the General Body.
41. It shall be competent for the Society to incur expenditure on measures as are conducive to the imparting of knowledge of cooperative principles and practices.
42. The services of the members of the Managing Committee shall be honorary but they may be paid traveling and daily allowance

DISPUTES

43. If any dispute touching the constitution or business of the Society arises between members or past members of the Society or person claiming through a member or past member or between members or past members or persons so claiming and any officer, agent or servant of Society (past or present) or between the Society or its Committee or any officer, agent, member or servant or the Society (past or present) it shall be referred to Registrar as provided in the Cooperative Societies Act and the Rules framed thereunder.

GENERAL

44. All matters not specially provided for are to be decided in accordance with the Cooperative Societies Act and the Rules notified thereunder.

45. The Managing Committee with the approval of the General Meeting may frame rules of business not inconsistent with the Cooperative Societies Act, the Rules and these bye-laws for carrying on the work of the Society and may make additions in them from time to time.
46. In case of any dispute about the meaning or interpretation of provision of the Cooperative Societies Act, Rules and by-laws, the decision of the Registrar shall be final.

LIQUIDATION

47. The Society shall be wound up and dissolved only by order of the Registrar in accordance with the provisions of the Act.

LIST OF PROMOTER MEMBERS TO BE APPENDED WITH THE BYE-LAWS AT THE TIME OF REGISTRATION

We the following promoters were present in the General Body Meeting of the
 Cooperative Society Ltd. held
 on at in the presence of Shri. Inspector
 / Sub-Inspector of Cooperative Department, Delhi Government, Delhi and have gone through the bye-laws
 and the same were adopted unanimously.

S. NO.	NAME OF PROMOTER MEMBER	FATHER'S / HUSBAND'S NAME	SIGNATURE

S. NO.	NAME OF PROMOTER MEMBER	FATHER'S / HUSBAND'S NAME	SIGNATURE