

BYE-LAWS

OF

The Punjab State Co-op. Development Federation Ltd., Chandigarh.

NAME AND AREA OF OPERATION

1. The society shall be called the Punjab State Co-operative Development Federation Ltd. It shall be referred to here in after as State Federation
2. The headquarter of the Federation shall be Ropar at Chandigarh or a place decided by the Board subject to the prior approval of the Registrar.
3. The area of operation of the Federation shall extend to the whole of the Punjab State.

DEFINITIONS

4. In these bye-laws unless the context otherwise requires of :-
 - i) "Act" means the Punjab Cooperative Societies Act, 1961 as amended from time to time.
 - ii) "Rules" means the Punjab Cooperative Societies Rules, 1963 as amended from time to time.
 - iii) "Federation" means the Punjab State Cooperative Development Federation Ltd.
 - iv) "Bye-Laws" means the registered bye-laws.
 - v) "Board" means the Board of Directors of the Punjab State Co-operative Development Federation.
 - vi) "Government" means the Government of the State of Punjab.
 - vii) "Registrar" means the Registrar, Cooperative Societies Punjab or Addl. Registrar, Cooperative Societies or Joint Registrar, Co-operative Societies or Deputy Registrar, Cooperative Societies.
 - viii) "Managing Director" means the Managing Director of the Federation Appointed by the board.

OBJECTS

5. The objects of the Federation shall be to promote and to develop the Cooperative movement in the State, to educate, guide and assist the people in their efforts to build up and expand the cooperative sector and to serve as an exponent of cooperative opinion. In accordance of these objects, the Federation may either by itself or in collaboration with National Cooperative Union of India or other Cooperative Institutions:-
 - i) Organise cooperative education and training programme and popularise the Principles of Co-operation.

- ii) Develop inter-cooperative relationship and help the coordinated functioning of the Cooperative Movement in various sectors.
- iii) Organise, conduct, collaborate and assist in carrying out research and investigation of projects on important cooperative problems.
- iv) Arrange for the production and publication of literature and audio-visual and other aids including films, film strips on cooperation and allied subjects.
- v) Implement Cooperative education and development schemes as may be formulated by N.C.U.I.
- vi) Give publicity to the achievement of Cooperative through periodicals, journals, pamphlets, brochures, books, films, broadcast and the like for creating favorable atmosphere for the development of the Cooperative Movement.
- vii) Maintain an information bureau and a library.
- viii) Act as the accredited representative of the Punjab Cooperative Movement in the State and National spheres.
- ix) Convene and hold the State Cooperative Congress and Cooperative seminars, meetings, conferences, Exhibitions etc.
- x) Select delegates representatives or observers on behalf of the Federation for participation in the National and State conferences.
- xi) Facilitate the promotion of Cooperative institutions and assist the member societies in resolving their problems and difficulties.
- xii) Acquire, purchase own or dispose of immovable property by way of sale, lease or otherwise for the furtherance of the objects of the Federation.
- xiii) Impart knowledge of family welfare and population problems among the members of the Cooperative Societies and other rural population through the media of Lectures, demonstration, audio-visual aids, distribution of literature etc. in accordance with the State/National policy.
- xiv) To undertake sale of Stationery items, Register required for running the business of the Cooperative Societies,
their Bye-laws or of any other Departments, Boards, Corporations, Organisations and Individuals on payment of charges fixed by the Governing Board from me to me
- xv) Installation and expansion of Printing Press to undertake on a bigger scale printing work of Cooperative Societies, other Departments, Boards, Organisations and Individuals on payment of charges fixed by the Governing Board from me to me.
- xvi) Run an advertising and news agency and seek accreditation with the Indian Newspaper Society.
- xvii) Advise the Govt. on matters relating to the Cooperative movement in the State, and
- xviii) Generally undertake such other activities or functions as are considered incidental or conducive to the attainment of the objects of the Federation.

MEMBERSHIP

6. The membership of the Federation shall be open to:-
 - i) All District Cooperative Unions in the State.
 - ii) All Apex Cooperative Societies whose area of operation extends over whole of the Punjab State.
 - iii) State Government.
7. Members shall be required to pay annual subscription on the following rates:-

- i) Apex Cooperave Sociees with working capital not exceeding to Rs.50 lacs - Rs.1500/-
 - ii) Apex Cooperave Sociees with working capital exceeding Rs.50 lacs but not exceeding Rs. 5.00 crores - Rs.5000/-.
 - iii) Apex Cooperave Sociees with working capital exceeding Rs.5.00 crores Rs.10000/-
 - iv) District Cooperave Unions Rs.500/-
8. The annual subscripon shall fall due on Ist April and shall be payable within two months. Members whose subscripons are not received by 31st May shall not be allowed to exercise the right of vong nor shall they be eligible for elecon to the board or any sub-commiBee of the Federaon.
9. Every member shall pay an admission fee of Rs.10/- on admission and shall take at least one share payable in lumpsum.
10. Applicaon for membership shall be addressed to the Managing Director. Every such applicaon shall be disposed off by the Board within one month of the receipt of applicaon.
11. A member may withdraw from the membership of the Federaon with previous permission of the Registrar and a#er giving six month's noce to the Managing Director provided that the member withdrawing has cleared of all dues and discharged all his obligaons towards the Federaon.
12. A member of the Federaon may be expelled by the Board for one or more of the following reasons:-
- i) If the member persistently defaults in payment of subscripon to the Federaon for two years despite due noce.
 - ii) If the conduct of the member is prejudicial to the interest and reputaon of the Federaon.
 - iii) On ceasing to be a body Corporate.
13. The decision of explusion of a member shall be communicated to the concerned member by registered post. The person aggrieved against the orders of expulsion may file an appeal to the Registrar within 60 days of the receipt of such order.

FUNDS

14. The funds of the Federaon may be raised by:-
- i) Issuing of shares of the value of Rs. 100/-.
 - ii) Admission fee.
 - iii) Annual subscripon from members.
 - iv) Subsidies, grants and other financial assistance from the Government or other instuons or individuals.
 - v) Deposits and borrowings.
 - vi) Cooperave Educaon fund from Cooperave Sociees.
 - vii) Such other grants, sub-venon's and donaons as may be made to the Federaon as approved by the Registrar.
15. All contribuons of Cooperave Educaon fund pertaining to preceeding cooperave year shall be deposited with the Federaon before 31st July, every year.
16. The liability of a member deficit in the assets of the Federaon in the event of its being wound up shall be limited to the paid up share capital.

MAXIMUM CREDIT LIMIT

17. The maximum credit limit to the Federaon shall not exceed ten mes its owned capital as approved by the Registrar.

GENERAL BODY

18. The General Body of the Federaon shall comprise the following:-
- i) One representave of each member society.
 - ii) All persons nominated by the Govt. U/S 26(2) of the Punjab Cooperave Sociees Act. 1961.
 - iii) Registrar.
19. Unless otherwise provided under these bye-laws, the ulmate authority in all maBers relang to administraon of the Federaon shall vest in the General Body.
20. All the member of the Board shall be entled to aBend the General Body meeng.
21. The General Body of the Federaon shall meet from me to me but at least once a year. The meeng of the General Body shall be summoned by the Managing Director under the direcon of the Board . A special general body meeng, shall also be convened if a requisition for such a meeng, signed by 1/5th of the total members for the me being, is received by the Board. If within 30 days of the receipt of the requisitions the Board fails to convene the general meeng, the requisitionists may refer the maBer to the Registrar, who may if he thinks fit, summon the special general body meeng of the Federaon, Every member society will be represented by a person duly authorised by it.
22. At least fi#een days clear noce specifying the date, place me and agenda for a general meeng shall be given to all the members by post under a cerficate of posng. The quorum for the general body meeng shall be 1/4th of the total number of members or 500 which ever is less. If at a general body meeng or special general body meeng, the quorum is not forthcoming within one hour of the me fixed for the meeng, the Chairman of the meeng shall, if a meeng has been called on requisition of the member, adjourn it and no further general body meeng shall be convened on the strength of the requisition of the members.
- If the general body meeng is convened otherwise than on requisition, the Chairman shall postpone the meeng to a further date. A fresh fi#een days clear noce for the subsequent general body meeng shall be given to all members, If at the reconvened meeng also, the quorum is not forthcoming within one hour, the members present shall constute a quorum and the meeng may be held and business transacted with the number of members present.
23. The Chairman or in his absence the Vice-Chairman shall preside over the meeng of the General Body. When both of them are absent the members present shall elect a chairman for the meeng.
24. Every member of the General Body shall have one vote. Unless otherwise provided in these Bye-laws, all quesons shall be decided by a majority of votes of the members present and vong. When the votes are equal, the Chairman shall have a casng vote.
25. Without prejudice to the general provisions of the preceeding bye-laws, the General Body alone shall have the following powers and dues:-
- i) Elecon of the members of the Board.
 - ii) Consideraon of the annual reports, balance sheet & profit and loss account.
 - iii) Amendment of bye-laws.
 - iv) Fixing of maximum borrowing limit of the Federaon consistent with Act, Rule & Bye-laws and subject to the approval of the Registrar.
 - v) Approval of programme of acvies of the Federaon proposed by the Board.

- vi) Expulsion of members.
 - vii) Disposal of net profits.
26. All business discussed or decided in a general meeting shall be recorded in a proceeding book which shall be signed by the Chairman of the General Body meeting.

BOARD OF DIRECTORS

27. The Management of the affairs of the State Federations shall vest in the Board of Directors which shall be constituted as under:-
- i) Six Directors to be elected out of the representatives of the affiliated District Cooperative Unions .
 - ii) Three Directors to be elected out of the representatives of the affiliated Apex Societies.
 - iii) Registrar, Cooperative Societies , Punjab or his nominee.
 - iv) Govt. nominee not exceeding three or 1/3rd of the total number of Directors whichever is less when the State Govt is a share holder.
 - v) Managing director.
28. Election to the Board shall be conducted in such a manner as may be laid down in the Act and the Rules and the instructions issued by the Registrar in this behalf from time to time.
29. The term of the Board shall be 5 years from the date of its election. When any vacancy occurs in the Board by resignation expulsion or cessation, it shall be filled by election and the person so elected shall hold office for the remaining tenure of the Board .
30. The first meeting of the Directors to elect the office bearers shall be called by the Managing Director within one month from the date of declaration of the result.
31. The Board will elect a Chairman and a Vice-Chairman from amongst its elected members. The Chairman or in his absence the Vice-Chairman shall preside over the meeting of the Board. In their absence the Chairman for the meeting shall be elected from amongst the Directors present.
- a) That the elected office bearers can be removed by a vote of no-confidence through a resolution passed by 2/3rd majority of the total elected members of the Board. New office bearers shall be elected for the remaining term of the Board.
 - b) that the nominated members shall have no right to vote in the election or removal of the office bearers.
- The Quorum at the meeting of the Board of Directors shall be 1/3rd of the total number of member of the Board of Directors,.

DIS - QUALIFICATION FOR MEMBERSHIP OF THE BOARD

32. No member shall be eligible for election as members of the board, if he:-
- i) is below 21 years of age, or
 - ii) is paid employee of the Federation or any Cooperative Society; or
 - iii) is not able to read and write at least in one language ; or
 - iv) had committed any offence involving dishonesty or moral turpitude during the preceding five year, or
 - v) has applied for insolvency or has been declared insolvent, or
 - vi) is of unsound mind, or
 - vii) is related to any employee of the Federation: or

- viii) is a representave of a society which is defaulter in respect of the annual subscripon, contribuon to the Cooperave Educaon Fund or any other sum payable to the Federaon; or
 - ix) is not a commiBee member of the society he represents;or
 - x) has been dismissed from the service of any cooperave society, local body or Govt. during the last 10 years.
 - xi) incurs any other dis-qaulificaon laid down in the Act and Rules.
33. A member of the Board shall cease to hold office, if he :-
- i) is or was defaulter regarding any payment due from the society he represents to the Federaon for a period of six months from the date on which the payment falls due; or
 - ii) ceases to be a commiBee member of the society he represents;or
 - iii) becomes related to any employee of the Federaon; or
 - iv) resigns and his resignaon is accepted by the Board ;or
 - v) in the opinion of the general body, he conducted himself in a manner prejudicial to the interest of the Federaon ; or
 - vi) fails, without sufficient reasons approved by the Board, to aBend three consecuve meengs; or
 - vii) Becomes subject to any disqualificaon laid down in the Act & the Rules.
34. The meeng of the Board shall be called by the Managing Director or any Officer authorised by him or the Board or when directed by the Chairman of the Board.
35. Atleast 15 days clear noce specifying the place, date, me and agenda of the meeng shall be given to the members of the Board unless in case of an emergent meeng, a shorter noce to all the members with the prior approval of the Registrar is sufficient. Each member of the Board shall have one vote. All quesons, shall be decided by a majority of votes. In cases of equality of votes, the Chairman shall have a casng vote. One third of the total members of the Board shall constute the quorum for any of its meeng.
36. A meeng of the Board shall be summoned if there is a requisition to this effect in wring from any three of 1/3 of the members of the Board whichever is less, specifying therein the agenda for the meeng and such a requisition shalll be addressed to the Chairman . If on the receipt of the requisition, the Chairman fails summon the meeng within seven days of the receipt of the noce, the signatories to the requisition may refer the maBer to the Registrar who may summon a meeng of the Board.
37. Not withstanding any thing contained in these bye-laws in case of equality of votes in respect of the elecon of the office bearers, no casng vote shall be execised by the Chairman of the meeng but in such cases, it shall be exercised by draw of lots.

POWERS & DUTIES OF THE BOARD OF DIRECTORS

38. The Board in exercise of its powers under these bye-laws shall lay down policies and programmes and discharge all the dues relang to the affairs of the Federaon except those reserved for the General Body or the Managing Director under these bye-laws. In parculars, the Board shall have the following powers & dues:-
- i) to elect Chairman and the Vice-Chairman from amongst the members of the Board.
 - ii) to give direcons to the Managing Director for convening meeng of the General Body of the Federaon and to submit to the General Meeng, annual report and audited balance sheet.
 - iii) to frame, subsequently amend rules for regulang the business and working of the Federaon consistent with the provision of these bye-laws.

- iv) to delegate its powers to the Chairman and Vice-Chairman or any sub-committee constituted for any specific purpose or to the Managing Director of the Federation consistent with the provision of these bye-laws.
- v) to appoint any Director to represent the Federation in the meeting of the Managing Committee or General Body of other Cooperative Institutions.
- vi) to act on behalf of the National Cooperative Union of India on all matters pertaining to State.
- vii) to accept or reject the resignation of the members of the Board.
- viii) to grant admission to the non members.
- ix) to decide strength, qualifications and other conditions of service of the staff to be employed by the Federation and frame rule in this regard with the prior approval of the Registrar.
- x) to appoint, suspend, dismiss or otherwise punish employee of the Federation in accordance with the service rules.
- xi) to maintain or cause to be maintained true and accurate accounts of money received and disbursed and all stock bought and sold.
- xii) to observe in all transactions the provisions of the Act and the Rules and these bye-laws.
- xiii) to keep or cause to be kept a true account of the assets and liabilities of the Federation.
- xiv) to prepare and lay or cause to be prepared or laid before the annual general meeting audited balance sheet, annual report and expenditure account.
- xv) to comply with the audit/inspection notes of the Federation.
- xvi) to dispose of applications for membership and admit members.
- xvii) to contract loans subject to any restrictions imposed by the General Body or the Registrar.
- xviii) to take on lease or purchase land required for the Federation with the previous sanction of the Registrar.
- xix) to create regular posts necessary for the smooth and viable running of the business of the Federation subject to the approval of the Registrar.
- xx) to approve annual programme for the cooperative education and training of the members of the cooperative societies.
- xxi) to frame business rules for the normal business of the Federation.
- xxii) to acquire on behalf of the Federation shares in other cooperatives.
- xxiii) to arrange for proper deployment/investment of surplus funds of the Federation in accordance with the Act and the Rules.
- xxiv) to purchase, sell, hire or otherwise acquire or dispose of property on behalf of the Federation.
- xxv) to advise the member societies regarding implementation of the cooperative education programme for members of the cooperative societies.
- xxvi) to fix DA/TA/ sitting fee to be paid to the members of the Board for attending the Board's meeting and other meetings subject to the approval of the Registrar.
- xxvii) to arrange for publication of literature and journals for dissemination of cooperative knowledge and cooperative education.
- xxviii) to call for periodical returns from the member societies.
- xxix) to depute representative to conferences/seminars or any other programmes connected with the objects of the Federation.
- xxx) to prepare the annual budget of income and expenditure.

xxxix) to constitute a common cadre for key posts in the Federation and District Cooperative Unions and to frame service rules for such employees subject to the approval of the Registrar.

xxxixii) to ensure proper utilisation of grant and subsidies received from the Government from me to me.

39. The Board may form sub-committees comprising not more than 5 members for specific purpose and for expeditious fulfilment of the same in the interest of the Federation as it may deem fit. The sub-committee shall consist of the Chairman, a Govt. nominee, the Managing Director and two Directors, such sub-committee will function under the overall control of the Board. For every meeting of such a sub-committee seven days clear notice specifying the agenda, date place and time shall be given. In case of an emergency meeting, shorter notice with the prior approval of the Registrar will be sufficient.

40. All business discussed and decided at a meeting of the Board or any sub-committee shall be recorded in the proceeding book which shall be signed by the chairman of the meeting.

41. In the conduct of the affairs of the Federation, the members of the Board shall exercise prudence and diligence or ordinary men of business and shall be responsible for any loss sustained through acts contrary to the provisions of the Act and the Rules framed thereunder and the bye-laws and stated objects of the Federation.

42. No act of the Board or of any officer shall be deemed to be invalid by reason only if the existence of any defect in the procedure in the constitution of the Board or in the appointment or election of an officer or on the ground that such officers was disqualified for his appointment.

43. The employees aggrieved by the order of the Board as the punishing authority shall have the right to file an appeal before the Registrar within 30 days of the receipt of the order. The decision in appeal shall be final.

MANAGING DIRECTOR

44. The Managing Director shall be the Chief Executive whole time officer of the Federation. He may either be appointed by the Board subject to the approval of the Registrar Cooperative Societies, Punjab or by the Govt. under the provisions of the Act. The Managing Director shall have all the powers and duties to run the business of the Federation in accordance with the policies and programmes laid down by the Board. In particular, he shall have the following power & duties:-

- i) to administer the affairs of the Federation.
- ii) to supervise and control the work of the employees of the Federation.
- iii) to maintain proper and accurate account of all money including the Government grants received and expended and all stock which is purchased and sold.
- iv) to act in the name and on behalf of the Federation in implementing the decisions of the General Body/Board where powers have been specifically vested in him under the bye-laws.
- v) to summon and attend meeting of General Body/Board/Sub-Committee when powers have been specifically vested in him under the bye-laws.
- vi) to incur contingent expenditure within the limit fixed by the Board.
- vii) to arrange for the verification of stock once in every year and also arrange for the safe custody of stock and property of the Federation,
- viii) to receive all money and issue receipts and also to pay amounts due from the Federation.

ix) to sign on behalf of the Federaon and conduct its correspondence and to cerfy copies of entries in the books of the Federaon.

x) to keep the true account of the assets and liabilies of the Federaon.

xi) to maintain an upto-date register of members.

xii) to perform all other dues and exercies all such powers as are assigned to him by the Board.

xiii) to fix prices of registers,bye-laws & other printed maBers etc. sold by the Federaon.

xiv) to funcon as Secretary to the Board and of any commiBee constuted under the bye-laws.

xv) to be responsible for the execuon of the training programme,publicity,propaganda and other schemes formulated by the Federaon from me to me in this regard.

xvi) to appoint, suspend, dismiss or otherwise punish employees of the Federaon in accordance with the service rules.

xvii) to take such securies from the employees as are determined and laid down by the Registrar.

xviii) to create temporary/casual posts for period not exceeding six month on a consolidated salary not exceeding Rs.2500/- per month provided approval to this effect is taken from the Board in the next meeng.

xix) to instute, conduct, defend, compromise, refer to arbitraon or abandon legal proceedings by or against the Federaon or its officers or employees through any officer or employees of the Federaon of otherwise through legal praconer or any other persons authorised by him in this behalf.

xx) to determine powers,dues and responsibilities of the employees of the Federaon.

xxi) to enter into negoaons and contracts and rescind and make such notes, deeds and things as may be necessary and approved by the Board on behalf of the Federaon in relaons to any of the aforesaid purpose or otherwise in the interest of the Federaon.

45. The Managing Director may delegate any of his powers to any employee for effecve and efficient working of the Federaon.

COOPERATIVE EDUCATION OFFICER

46. The pursuance of the object of promong & developing the Cooperave movement in the State and for educang, guiding and assisng the people to build up and expand the Cooperave sector in an effecve manner the board shall appoint a Cooperave Educaon Officer. He shall work under the General Superintendence & control of Managing Director and responsible for the execuon of the training programme & other schemes formulated by the Federaon from me to me in this regard.

GENERAL MANAGER

47. The Board shall appoint a General Manager. He will be under the administrave control of the Managing Director and shall exercise such powers and perform such dues as may be delegated to him by the Managing Director.

DISTRIBUTION OF PROFITS

48 A#er making provisions for depreciaon on buildings and other stock as decided upon by the Board, the net profit as per audited balance sheet shall be disposed off in the following manner:-

i) 25% shall be carried to the Reserve fund.

ii) The remainder may with the previous approval of the Registrar to be applied as follows:-

a) to the payment of dividend not exceeding 10% per annum on the paid up share capital,

- b) the creation of building fund, dividend, equalization fund or share transfer fund.
- c) to the creation of any other fund in accordance with the provision of the Act and the Rules.
- iii) any surplus may be carried over to the next year or credited to the Reserve fund.
- iv) The distribution of the net profits shall be decided upon by the General Body on the recommendation of the board subject to the approval of the Registrar.

AMENDMENT OF BYE-LAWS

49. Subject to the provision of the Act and the Rules, no amendment to these bye-laws shall be carried out save in accordance with the resolution passed at a general body meeting of which due notice of the intention to discuss the amendment has been given.

Provided that no such resolution shall be valid unless it is passed by a majority of members present at the general body meeting at which not less than two thirds of members for the meeting of the society are present.

Provided further that model bye-laws or amendments previously approved by the Registrar may be adopted by a simple majority at a general body meeting with an ordinary quorum

MISCELLANEOUS

50. Copies of the bye-laws and of the balance sheet shall be open to the public inspection during office hours

51. If the Federation is indebted to a Cooperative Financing institution it shall be competent for a representative of the labour to inspect the books and record of the Federation and the Managing Director of the Federation shall arrange for the production of books and record before such a representative.

52. The service of the member of Board and or any other Committee constituted under these bye-laws shall be honorary but they may be paid travelling and daily allowance on a scale to be fixed by the Board subject to the approval of the Registrar.

53. The Federation shall maintain such accounts and other records connected with accounts in such form of manner as may be directed by the authority specified in the Act and the Rules.

54. The Federation shall prepare and submit such returns and statements as the Registrar may from time to time specify.

55. Should any doubt arise with regard to the interpretation of any of these bye-laws the matter shall be referred to the Registrar whose decision shall be final in this regard.

56. All disputes touching the constitution, management and business of the Federation shall be disposed off in the manner provided in the Act and the Rules framed thereunder.

57. The Federation may in the event of its unsatisfactory working be wound up and cancelled by the order of the Registrar in accordance with the bye-laws for the time being in force and relevant provisions of the Act and the Rules.

58. The words and phrases used in these bye-laws shall have the same meaning as is assigned to them in the Act and the Rules.

59. The subscription to be levied by the Federation under bye-laws may be credited to the account of the Federation by the Central Cooperative Financial Institutions by debiting the same amount to the account of the society concerned.

60. The old bye-laws of the Federation shall stand repealed with the registration of these bye-laws and all actions taken under old bye-laws in so far as these are consistent with the provision of these bye laws shall be deemed to have taken under these bye-laws. M