EASTERN AGRO PROCESSING
&
TEA WAREHOUSING
COOPERATIVE SOCIETY LTD

BYE-LAWS

(As amended in the year 1990)

JAWAHAR NAGAR
BELTOLA, GUWAHATI - 781028

PROCEEDING OF THE INAUGURAL GENERAL MEETING OF EASTERN TEA WAREHOUSING CO-OPERATIVE SOCIETY LTD. ON 9.6.71 AT NIZARAPAR, GUWAHATI-3

Members Present :

1. Shri Jogendra Nath Sarma
* 2. Shri Trailokya Nath Sarma
* 3. Shri Anil Prasad Bhowmik
4. Shri Saumendra Saurav Barua
5. Shri Apurba Kumar Sharma
6. Shri Badal Thakur
* 7. Shri Pranab Jyoti Barua
8. Shri Ranjit Kumar Barua
9. Shri Nagen Goswami
10. Shri Harihar Das
11. Shri Nirmal Kumar Goldsmith
12. Shri Lakshmi Prasad Goswami
13. Shri Durga Das Deva Sharma
14. Shri Chandra Das
15. Smti Rekha Barua
16. Shri Gopal Baishya
17. Shri Shanti Chaya Barua

Shri Jogendra Nath Sarma, advocate, was unanimously elected president to preside over the meeting.

Sri M, Ali, Co-operative Officer, while explaining the object of the meeting, held out a very bright prospect of tea warehousing business in the Co-operative Sector.

The members present proposed to organise a tea warehousing Co-operative Society Ltd.

The meeting decided to adopt the model bye-laws of the Industrial Co-operative Society with certain modifications as its bye-laws and adopted necessary resolution to that effect.

The area of operation of the society was to confine to Guwahati Sub-Division only.

The following resolutions were adopted unanimously.

1. admission fee for enrolment as member of the society be fixed at Rs. 5/-
2. Authorised Share Capital of the society be fixed at Rs. 50 lacs divided into 50.000 share of Rs. 100/- each and decided to raise Rs. 5 lacs only by way of selling shares till the first annual General Meeting of the society is held.
3. Interest on deposits from members and non-members be fixed at 9% per annum.
4. In order to keep society's money in safe custody the Registrar be requested to accord necessary permission for opening a Current Account in the name of the society in Assam Cooperative Apex Bank Ltd., Guwahati. On receipt of such permission the society shall communicate to the Bank with specimen signature of the President and that of the secretary. The Secretary shall operate the Bank jointly with the President. The Secretary shall deposit all cash receipts to the Bank and shall not keep cash balance of more than Rs. 500/- at any time.
5. A Managing Committee for the Cooperative year 1971-72 be formed with the following members :

1. President		Sri Nirmal Kumar Glodsmith
2. Vice-President		Smti Shanti Chaya Barua
3. Vice-President	*	Sri Trailokya Nath Sarma
4. Secretary		Sri Lakshmi Prasad Goswami
5. Joint Secretary		Sri Apurba Kumar Sarma
		Sri Saumendra Saurav Barua
6. Treasurer		Sri Chandra Das
Members		
1.		Shri Harihar das
2. "		Ranjit Kumar Barua

	Members	
3.	"	* Pranab Jyoti Barua
4.	"	Gopal Chandra Baishya
5.	"	Badal Thakur
6.	"	Rekha Barua
7.	"	Nogen Goswami
8.	"	* Anil Prasad Bhowmik
9.	"	Jogendra Nath Sarma. and
10.	"	Durga Das Deva Sarma

6. the proceedings and accounts of the society be maintained by the Sercetary in Assamese language only.
7. The meeting offered its thanks to Cooperative Officer, Sri M. Ali for organising the society and decided to request A.R.C.S., Guwahati, to Register the society immediately.

Sd/- J, N, Sarma

9.6.71

President; Inaugural General Meeting

[* Though attended the inaugural general Meeting and elected to the Managing Committee for the Co-operative year 1971-72, they could not acqurie the right of membership of the Society as they failed to purchase any share of the Society.]

Bye - laws
Of
EASTERN AGRO PROCESSING & TEA WAREHOUSING CO-OPERATIVE SOCIETY LTD.

1. NAME

1. The society shall be called the Eastern Agro Processing & Tea Warehousing Co-operative Society Ltd.

2. ADDRESS

2. The registered office of the society shall be at-

Post Office-	Jawaharnagar
Police Station	Beltola, Guwahati- 781 028
Sub-Division	Basistha Chariali
District	Guwahati Kamrup

3. AREA OF OPERATION

3. The area of operation shall cover the entire State of Assam with agencies or depots elsewhere as required; provided that this area may be altered with the consent of the Registrar of Co-operative Societies.

4. OBJECTS

4. The object of the society shall be to do all things necessary to bring about socio-economic development of the economically backward section of people and in particular_

1. to warehouse teas received from the Gardens, Tea Traders, Tea manufacturers and others relating to Tea business;

2. to construct warehouse/storage godowns, to hire warehouse/storage godowns, to collect deposits for acquiring immovable/movable properties like transport, land etc.;

3. to construct roads, buildings, for the business of the society;
4. to warehouse, transport, buy and sale, blend or manufacture other products from teas;
5. to provide research and development facilities for storage and blending of teas;
6. to purchase/acquire godowns, motor vehicles, land and to open marketing centres and transport goods;
7. to act as agent of Tea Growers, Buyers and Sellers;
8. to organise information/Bureau of experts and manage to guide scientific storage, and blending by giving required technical advice ;
9. to manage, develop and organise transport and storage of teas;
10. to open Branches of the society, selling centre at any places considering the financial aspect of the society;
11. to take up any business for the development of the society;
12. to own, run, take on lease or hire and to manage Industries, engaged in manufacturing, production and processing of teas and other essential commodities.

5. MEMBERSHIP

(I) Qualification required for membership and terms of admission of members-

The subscribers to the application for Registration as well as such other Members as may be admitted to memberahip as per provisions of these Bye-laws shall be members of the Society.

i) An individual who is 18 years of age or above and a permanent resident of the State of Assam residing within the area of operation of the society, has full faith in the principles of co-operative movement, preferably from the economically weaker section of the society not directly or indirectly connected with similar business as

those of the society and not a member of any identical registered society.

ii) Any Registered Cooperative Society.

iii) The State Government.

The names and addresses of all Members shall be entered into a Register of members and shall be allotted a serial number for the purpose of identification. Members are bound to sign the members' Register or put their thumb impression as the case may be All members shall be bound to furnish any information as may be required by the society at any point of time.

(2) **Application for membership**

Application for admission as member and for allotment of shares shall be made to the Secretary of the society in such forms as may be prescribed by the society. Every such application shall be disposed of by the Board of Directors who shall have the power either to accept or reject the same. The Board of Directors shall have the power to reduce the number of shares applied for.

No. application shall be accepted if he or she_

(a) is legally & mentally disabled,

(b) is a bankrupt.

(c) is convicted for criminal offence involving moral turpitude.

(3) **Rights and Liabilities of members**

a) An applicant for membership of the society shall not acquire the right of membership unless he/she/they, as the case may be, purchases not less than one share alongwith admission fee of Rupees five.

b) The liability of a member for the debts of the society shall be limited to the normal value of the shares held. No member shall be liable for any debt contracted by the society after he/she/they ceases to be a member.

(4) **Transfer of shares**

Any member may with the permission of the Board of Directors, transfer by an instrument in writing any or all the shares held by the member to such person or society as has been or will be admitted as a member of the society. The transfer shall not be complete until the name of the transferee has been entered in the share transfer register and a fee of one rupee has been paid on each share transfer.

(5) **Nomination of heirs**

Every member shall nominate a person or persons to whom all of his shares or other interests in the society shall be paid or transferred on his death. A nominee may be admitted as a member without payment of admission fee if approved by the Board of Directors. Nomination and revocation of nominee shall be made in writing and shall be deposited with the Secretary of the-society after the member has signed it or given his thumb impression, if illiterate. The name and address of every person so nominated shall be entered in to the appropriate columns of the register of members.

(6) **Withdrawal from membership**

Any member may withdraw from membership of the society on giving in writing three months' notice to the Secretary to this effect. The shares of a withdrawing member, if not transferred under bye-law 5[4], may be refunded on the expiry of one year from the date of withdrawal if approved by the Board of Directors, provided that the Borad of directors may allow an earlier refund.

(7) **Discipline and termination of membership**

a) The Board of Directors may suspend, fine, expel or cancel membership of a member or forfeit any or all of his/her/their shares and other interests in the society including the value of the shares for .

i) wilful contravention of the Act, Rules, Bye-laws and Rules of Business.

ii) acts prejudicial to the interest of the society or

contrary to any decision of the management.

iii) wilful dishonest infringement or violation of any terms of a contract entered into with the society.

iv) trying to deceive the society by furnishing false statement.

v) any act considered to be an act of humiliation to the society and its management.

vi) any act of disloyalty and disrespect that may have adverse effect on the image and reputation of the society and its management.

b) **Limitation of suspension or fine:**

The period of suspension shall not-exceed three months nor the fine of Rs, 500/ without the sanction of the General Assembly. If a member is suspended/ fined as per provision of bye-law 5(7) above he/she shall not be eligible to excercise his /her right as member during the period of suspension or till the full payment of fine, thus imposed.

c) **Right to appeal:**

A member who has been punished in any way may appeal to the General Assembly against the order of the Board of Directors within one month of the date of communication of the order of punishment.

d) **Disposal of appeal.**

The Board of Directors, on receipt of the appeal, shall convene a special meeting of the General Assembly within three months of receipt for the disposal of the appeal provided that, if an ordinary meeting of the General Assembly is held within this period, the appeal shall be considered in the ordinary meeting.

(8) **Ceasation of membership.**

A member shall cease to be so, if-

i) the member is expelled;

ii) the member transfers all his shares held,

iii) the shares held by a member are forfeited;

iv) the member dies;

v) the member withdraws;

vi) the membership is cancelled;

vii) the member does not reside permanently in the area of operation of the society;

viii) the member is found to be not a permanent resident of Assam, at any point of time,

ix) the membership is terminated.

(9). **Limitation of membership.**

There shall be no limit to the number of members.

(10). **applicant members-**

If in the opinion of the Board of Directors any person eligible for membership is so poor that he is unable to pay the share money or if any person producing goods for the society as a wage earner has not become a member of the society, such persons may, in the case of the former, and shall, in the case of the latter, be admitted as an "Applicant Member" without payment on the following canditions.

i) The applicant member must pay all dues on account of share money as soon as possible and any money due to the applicant member on account of dividend, rebate, wages, etc, will be retained by the society against such share money until they are completely paid off and the applicant becomes an ordinary member, provided that the Board of Directors may make rules in respect of paying any portion of dues from the society to an applicant member before the share money is completely paid.

ii) The applicant shall have all the privileges of, and shall be under the same discipline and procedure as ordinary member, except that he will have no power of voting or of holding office.

iii) An applicant for applicant membership shall apply in the prescribed form and the names of applicant members shall be entered in a separate register.

6. MANAGEMENT

(I) **General Assembly-** shall consist of individual members, ex-officio members of the Board of Directors, one duly authorised representative from each affiliated society and the State Government. (Applicant members may attend but cannot vote.)

i) Each member shall have one vote only.

ii) Members under suspension shall not have the right either to attend or to vote.

iii) Voting by proxy shall not be allowed.

a) **Annual General Meeting.** Shall be held each year according to the provisions of the Assam Co-operative Societies Act and Rules framed thereunder from time to time.

b) **Special General Meeting.** A special meeting of the General Assembly shall be called-

i) at the instance of the Board of Directors,

ii) at the request of the Chairman of the society.

iii) on a requisition by 1/5th of the General Assembly or one hundred members whichever is less;

iv) at the instance of the Registrar as provided in the Assam Co-operative Societies Act under section 33 (2) and (3).

(2) **Notice of meeting.**

It shall be the duty of the Secretary to call meetings of the General Assembly at the instance of the Chairman or of the Board of Directors. At least fifteen days notice of such meeting specifying the date, hour, place shall be forwarded by the Secretary to each individual, ex-officio and applicant member of the society with the agenda of the meetings provided that no business transacted at a meeting shall be deemed invalid on account of non-receipt of the notice by a member in due time. The agenda shall invariably include an item entilted "any other business" and matters not otherwise specifically mentioned in the agenda provided they do not relate to amendment of bye-laws, expulsion of members and

explusion of office bearers may be brought up under" any other business' with the permission of two-thirds of the members present at the meeting.

(3) Quorum- one fifth of the total number of members or one hundred whichever is less shall constitute the quorum of the General Assembly. No business shall be transacted at any meeting of the General Assembly unless there is a quorum at the time when the business of the meeting is due to commence. If, at any time, during a meeting of the General Assembly attendance of members falls below the quorum as prescribed above, the Chairman of the meeting on his attention being drawn to the fact or on his own initiative may adjourn the meeting to such a date, time and place as he may think convenient and the business to be transacted at this meeting shall be disposed off in the usual manner at the adjourned meeting even without a quorum. If within half an hour from the time fixed for the meeting of the General Assembly the quorum is not formed the meeting shall stand adjourned to the same day of the next week at the same time and place but the Chairman of meeting may, however, decide to adjourn the meeting to a date not later than fourteen days. A meeting of the General Assembly which has been called on requisition under clause [c] of Sub-section [1] of section 33 of the Act shall not be adjourned but dissolved.

(4) **Function and Power of the General Assembly**

The supreme authority of the society shall be vested in the General Assembly provided that during the pendency of any loan or service from Government or loan from any other creditor secured at the instance of the Government, the supreme authority in respect of any matter adversely affecting the interest of Government or the said creditor touching such loan or service shall be vested in the Registar of Cooperative Societies or any person authorised by him in writing and may extend to the appointment of officers to hold any of the office society or any persons to be ex-offico members of the Board of Directors or any Sub-

committee even if not member of the Society. This Supreme authority of the Registrar of Co-operative Societies may also be exercised in the absence of any loan or service if he deems his intervention to be necessary in the interest of the members of the society or of Cooperative movement as a whole. The Registrar of Co-operative Societies may fix the salary of any such appointed officer and declare it to be a charge on the society. He may cancel any such appointments made by him. The functions of the General Assembly shall be:

a) to elect at the annual meeting for the ensuing year a Board of Directors including a Chairman and a Vice-Chairman, but excluding the Secretary and Treasurer whose appointment is governed by bye-law 7 (7) (viii)

b) to consider at the annual meeting the annual report of the Board of Directors, audit report and audited annual accounts and balance sheets and to review the working of the society during the preceding year,

c) to elect an internal auditor or auditors, who shall not be a member of the Board of Directors and fix remuneration.

d) to decide what fees if any, should be paid to the members of the Board of Directors and sub-committee for attending meetings.

e) if profits have been made, to decide at the annual meeting how they should be distributed according to the terms of bye-laws 10

f) to hear all complaints against the Board of Directors and office bearers of the society and to hear appeals on decisions of the Board of Directors occasioned by the passing of a vote of no confidence by the General Assembly on a member or members of the Board of Directors,

g) to pass the annual budget at the annual meeeting and approve the programme of work for the ensuing year,

h) to fix the maximum amount of liability to be incurred during the ensuing year ;

i) to transact such other business as may be laid before the meeting by the Board of Directors.

(5) **Voting.**

Except where otherwise prescribed all matters brought before a meeting of the General Assembly shall be decided by a majority of votes. The Chairman shall have a vote and , in case of an equality of votes, he shall have a second or casting vote. Voting shall be by show of hands unless by a resolution of the meeting it is decided to have a secret ballot in any particular instance, in which case the Chairman shall arrange for a secret ballot,

(6) **Admission of non-members.**

The Chairman, in his discretion, may admit any person not being a member to a meeting of the General Assembly for the purpose of giving expert advice, such persons shall not be entitled to vote.

(7) **Records of meeting and authenticity.**

The proceedings of all meetings of the General Assembly and the names of those present shall be recorded by the Secretary in a book. The minutes of such proceedings shall be signed by the Chairman after being read to and confirmed by the members present at the meeting or at the next meeting. Minutes thus authenticated shall be deemed to be the true records of the proceedings of the meeting concerned.

(8) **Chairman.**

i) The Chairman of the society or in his absence, the Vice-Chairman shall preside as Chairman at every meeting of the General Assembly of the society. If both the Chairman and Vice-Chairman are absent or are unwilling to act as Chairman, the members present and entitled to vote shall elect a Chairman from among themselves.

ii) The Chairman of the meeting shall maintain order at the meeting and shall conduct proceedings in such manner as may be conducive, expeditious and effective disposal of business. He shall decide all points of order

and his decision upon such points shall be final.

iii) The Chairman of the meeting may direct any member to withraw for disorderly conduct and the member so ordered shall not be entitled to vote without the permission of the Chairman of the meeting.

iv) In the event of disorder arising at a meeting, the Chairman of the meeting may suspend the meeting and adjourn it to such date and time as he may think fit, subject to the provisions of law.

7. Board of Directors.

The society shall be managed by a Board of Directors consisting of not more than 15 members including the Chairman, Vice-Chairma, Secretary and Treasurer of the Society. The Secretary and the Treasurer who are appointed by the Board of Directors, shall be ex-officio members. Any ex-officio members appointed in accordence with sub-section (3) of section 31 of the Assam Co-operative Societies Act. shall be additional member of the Board of Directors. These office bearers shall also be the office bearers of the Board with the same functions.

(2) **Election and retirement-** The members of the Board of Directors shall be elected by the General Assembly at its annual meeting by simple majority vote, and shall retire annually but shall be elligible for re-election as per provision of Co-op Act and Rules.

(3) **Qualification of Directors-** A shareholder well conversant with the Co-operative Act. Rules and bye-laws of the society, having preferably knowledge of management of a Co-operative Society. above the age of 21 years shall be eligible for election or appointment as a members of the Board of Directors provided he/she has been a member of the society at least for a period of 3 years.

(4) **Disqualification-** A shareholder shall not be eligible for being chosen or for being appointed as member of the Board of Directors of the society or of another society to which the society is affiliated if such shareholder--

a) is adjudged by a competent court to be insolvent or of unsound mind,

b) has been punished with imprisonment for an offence involving moral turpitude,

c) is concerned or participates in the profits of any contracts with the society,

d) is a defaulter in any respect,

e) is involved in anti-co-operative activities.

(5) **Ceasation of Directorship.** A Director shall cease to hold office if-

a) he becomes subjects to any disqualification mentioned in bye-law No. 7(4) above,

b) he resigns his office by notice in writing to the Chairman,

c) without the consent of Board of Directors remains absent for more than 3 consecutive meeting of the Board,

d) the society of which he is a representative is dissolved or dis-affiliated.

(6). **Filling of vacancy.** If any vacancy occurs in the Board of Directors under provision of Bye-laws 7 (5) above the same may be filled up by the remaining Directors by co-option from among the shareholders present in the A.G.M. and qualified to be a director as per Bye-law No.7(3) above till the next AGM

(7). **Powers of the Board of Directors.** Without restricting the general powers conferred by these Bye-laws and by the resolutions of the General Assembly, the Board of Directors is empowered to exercise the following powers for smooth conduct of business of the society--

(i) to admit new members and suspend, fine or expel existing members,

(ii) to raise funds,

(iii) to invest funds,

(iv) to appoint salaried or honourary officers for

proper conduct of business on such terms, remuneration, security etc; and with such powers and authorities including power to enter into contracts on behalf of the society as it may deem fit, and define their duties,

v) to dismiss, suspend or punish any officer and staff mentioned in sub clause (iv) above,

vi) to institute, defend or compromise legal proceedings,

vii) to appoint sub-comittees as may be deemed necessary from time to time,

viii) to appoint and fix salaries of the Secretary and Treasurer, provided that a single individual may be appointed both as Secretary and Treasurer, and,

ix) to delegate, with or without conditions, all or any of the powers exercisable by the Board of Directors to any office bearers or to any committee formed.

(8). **Duties of the Board of Directors.** The Board of Directors shall observe in all their transactions the provisions of the Act., Rules and Bye-law of the society and directions of the Registratrar and shall cause to perfom the following duties namely --

i) to provide for the management of the affairs of the society;

ii) to receive and disburse money;

iii) to maintain true accounts of money received and expended and of assets and liabilities;

iv) to prepare for submission to the annual meeting of the General Assembly--

(1) an annual Report on the working of the society,

(2) an annual statement of accounts which shall include-

a) Cash account,

b) Balance sheet,

c) trading account, (if any),

d) profit and loss account,

e) profit and loss appropriation account;

v) to prepare the statement of accounts required for audit and to place them before the Auditors,

vi) to prepare and submit all statements and returns required by the Registrar in such forms as he may direct,

vii) to enter accounts of the society regularly in proper Register,

viii) to maintain a Register of members upto date,

ix) to facilitate inspection of books and records by the inspecting officers,

x) to convene meeting of the General Assembly on requisition,

xi) to convene the annual General Assembly meeting in due time,

xii) to examine the stock register and verify the actual stocks,

xiii) to supervise and examine the work of the sub-committee and office bearers, and

xiv) to perform such other duties as may be entrusted by the General Assembly.

(9) **Duties of the Secretary- [Chief Executive].** Unless otherwise directed by the Board of Directors the Secretary shall perfom the following duties in addition to the duties as provided in the bye-laws--

a] receive all money on behalf of the society and issue receipts,

b] pay all cost of management and working expenses out of the funds of the society, such as salaries of the staff, travelling and other contingent expenses necessary for the working of the society,

c] deposit all money received on behalf of the society as well as securities and other affects as prescribed under Rule 55;

d] maintain regular and accurate acoounts;

e] maintain records in prescribed forms;

f] convene meetings of the Board of Directors or Sub-committees as may be necessary from time to time,

g) submit such statements as required by the Board of Directors/sub-committees,

h) to institute, defend or compromise legal proceedings.

(10) **Meeting of Board of Directors.**

The Board of Directors shall meet ordinarily once in a month or at least in every two months for transacting normal business of the society

a) **Notice.** At least four davs' notice of all meetings of the Board of Directors, specifying the date, hour and place shall be forwarded by the Secretary to each member of the Board with the Agenda of the meeting, provided that no business transacted at a meeting shall be deemed invalid on account of non-receipt of the notice by a member in due time.

b) **Special meeting.** A special meeting of the Board of Directors shall be convened by the Secretary whenever he thinks fit or at the request of the Chairman or on requisition signed by one third of the members of the Board of Directors or at the request of the Registrar of Co-operative Societies. Such meetings shall be held within one week after the date of receipt of such requisition. The Registrar of Co-operative Societies may himself, or through a Person authorised by him convene a special meeting of the Board of Directors.

c) **Quoram.** Fifty percent of the members of the Board of Directors shall constitute a quorum.

d) **Voting.** Except where otherwise prescribed, all matters brought before a meeting of the Board of Directors shall be decided by a majority of votes. Each member shall have one vote. The Chairman shall have a vote and in the case of an equality of votes, he shall have a second or casting vote. Voting shall be by show of hands, unless by a resolution at the meeting it is decided to have a secret ballot in any particular instance in which case the Chairman shall arrange for a secret ballot. Voting by proxy shall not be allowed.

e) **Admission of non-members.** The Chairman, at his discretion, may admit any person not being a member of the Board of Directors for the purpose of giving expert advice. Such persons shall not be entitled to vote.

f) **Records of meeting and authenticity.** The proceedings of all meetings of the Board of directors and the names of those present shall be recorded by the Secretary in a book. The minutes of such proceedings shall be signed by the Chairman after being read to, and confirmed by the members present at that meeting or at the next meeting. Minutes thus authenticated shall be deemed to be the true records of the proceedings of the meeting concerned.

g) **Chairman.** The Chairman of the society or, in his absence the Vice-Chairman shall preside at every meeting of the Board of Directors. If both the Chairman and Vice-Chairman are absent or are unwilling to act as Chairman, the members present and entitled to vote shall elect a Chairman from among themselves. The Chairman shall have the same authority as given in bye-laws 6(8).

(11) **Establishment of new Branches.** The Board of Directors may start new branches of activity consistent with the objects of the society with prior approval of the Registrar of Co-operative Societes to whom shall be forwarded a full explanation of the new branch together with the rules under which it will operate. Such rules may prescribe that member who makes use of the new branch shall have to puschase an additional number of shares.

(12) **Constitution of Sub-Committees.**

i) The Board of Directors may form Sub-Committee to control separate branches of the society's business. Such sub-committee shall consist of not less than three members including a Chairman and a convenor selected by the Board of Directors from among the members of the Board of Directors as may be necessary for carrying on day to day business of the particular branch of the

society. The Board of Directors shall have power of supervision and guidance over the activities of Sub-committee. The Secretary of the Board of Directors shall have the right to examine the proceedings, books and other records of Sub-committee at any time and to place such records before the Board of Directors who may call for reports from the convenor of any sub-committee on any aspect of its activities.

(ii) Each Sub-committee shall lay before each meeting of the Board of Directors a short report on its activities, so that the Board of Directors may exercise its overriding rights of supervision by giving general or specific directions which the sub-committee shall have to obey.

a) **Meeting.** A sub-committee shall meet as often as necessary for due discharge of its responsibilities. Any member may require a meeting to be held.

b) **Notice.** At least twenty four hours notice of all meetings of a sub-committee, specifying the date, hour and place shall be forwarded to each member of the sub-committee but an agenda need not necessarily be sent; provided that no business transacted at a meeting shall be deemed invalid firstly on account of non-receipt of the notice by a member in due time, if the convenor can prove that the notice was duly posted or was received by a member of the member's office or household, and secondly, if all members were present at the meeting. If the sub-committee fixes a certain day of a week or month for regular meetings and notifies its members to this effect, it will not be necessary to issue any further notice of such meetings.

c) **Quorum.** fifty percent of the members of a sub-committee shall constitute the quorum.

d) **Voting.** All matters brought before a meeting of a sub-committee shall be decided by a majority of votes. Each member shall have one vote. The Chairman shall have a vote and in the case of an equality of votes, shall have a second or casting vote. Voting by proxy shall not be allowed.

e) **Chairman.** In the absence of the Chairman of the Sub-committee the convenor shall act as Chairman.

f) **Admission of non-members.** The Chairman at his discretion may admit any person not being a member of a meeting of the sub-committee for the purpose of giving expert advice. Such person shall not be entitled to vote.

(g) **Records of meetings and authenticity**. The proceedings of all meetings of a sub-committee and the names of those present shall be recorded by the convenor in a book. The minutes of such proceedings shall be signed by the Chairman after being read to, and confirmed by the members present at that meeting or at the next meeting. Minutes thus authenticated shall be deemed to be the true records of the proceedings of the meeting concerned.

(13) **Validity of acts performed.** No act of the Board of Directors or any sub-committee or of any office bearer shall be invalidated by reason of the election of a member of the Board of Directors or of any of it sub-committee or by reason of election of any office bearer being subsequently declared null and void.

(14) **Inspection of business of members.** Any member of the Board of Directors may inspect the business affairs of any member in so far as they relate to the society and may demand the production of any document required for the purpose and the member shall be bound to comply with all such demands and give access to any premises wherein any business relating directly or indirectly to the society is transacted.

8. OFFICE BEARERS AND EMPLOYEES

(1) **Election of office bearers etc., :**

a) Subject to the Provisions of bye- law 6(4) every office bearer must be a member of the General Assembly of the society and shall be elected to his office in accordance with the provisions of these bye-laws. An office bearer may accept a salary with the previous approval of the Registrar of coopreative societies. This

approval may be taken as given in the case of the sceceretary or Treasurer.

b) Any office bearer may be removed from his office by a vote of the body which elected him at a properly constituted meeting of the body.

c) When an office bearer vacates his office, the Chairman of the society may appoint a successor pending the approval of the Board of Directors.

d) If any office bearer contravens the law in the excercise of his duties, the Chairman may himself perform or appoint any member of the Board of Directors to perform all or any of the duties of that office bearer.

(2) **Appointment of employees etc.**

a) Employees of the society, if admitted to membership of the society, shall have all the privileges of members save that they shall not be members of the Board of Directors. The term employee does not include any person producing goods for the society nor any person elected to or appointed by Government to any office of the society unless specifically stated to the contrary.

b) The Board of Directors shall appoint and determine the remuneration of all employees of the society except as provided for in bye-law 6(4).

c) The Board of Directors may dismiss or discharge any employee of the society except as provided for in bye-law No 6(4).

(3) **Provisions as to Diplomas, certificate etc.**

The election of office bearers and appointment of employees of the society shall be subject to any provision of law or orders of the Registrar of Co-operative societies, which may be framed from time to time. With regard to possession by such office bearers or employees of diplomas , certificates from the Assam co-operative college or similar recognised Institution.

9. FUNDS & SHARE CAPITAL.

(1) **Funds.** The society may raise funds from the following sources to run its business and to carry out other activities for attainment of its objects-

a) admission and transfer fees,

b) issue of shares,

c) deposits and loans from member and non-member,

d) borrowings from financing institutions,

e) Government grants and subsidies,

f) profits that accrue to the society,

g) fines and forfeited sharemoney etc..

(2) **Share Capital.**

a) The authorised Share Capital of the society shall be Rs. one crore which shall be made up and subscribed in the manner prescribed as under--

i) 60,000 ordinary shares of Rs-100/- each shall be open for subscription to individual members,

ii) 2,000 shares of Rs. 500/ each shall be open for subscription to Registered co-operatives societies, and

iii) 3,000 share of Rs. 1000/ each shall be open for subscirption to state Government.

b) Value of the share shall be fully paid within Thirty(30) days from the date of notice of allotment.

(3) **Share Certificates.** A share certificate bearing the distinct serial number of the share or block of shares shall be issued for every share or block of shares subscribed to by members. Such certificate shall be signed by the Chaireman or Vice-Chairman and the Secretary of the society. If such certificates are lost, defaced or worn out, they may be renewed on payment of a fee of 5 rupees each and on such terms and conditions as to evidence and identity as the Board of directors may require.

(4) **Loans.** Loans may be raised for fixed period at such rate of interest and upto such an amount as may be determined by the Board of Directors.

(5) **Deposits.** Deposits may be accepted from members or non-members upto such an amount as may be determined by the Board of Directors. The maximum rate of interest payable on deposits for the ensuing year shall be decided at the annual meeting of the General assembly.

(6) **Reserve fund.**

a) The Reserve fund of the society shall consist of-

i) the annual allocations made under bye-law 10(i)

ii) any sum which may be placed in the Reserve fund in accordance with bye-law 9 (7) (b),

iii) the value of all fines and forfeited or surrendered shares,

iv) lapsed share dividends, interest charges, bonus and similar items.

b) The Reserve fund shall be invested as determined by the Board of Directors according to law,

c) The loss of any year may be met wholly or partly from the Reserve fund with the approval of the Registrar of Cooperative Societies, provided that no honorarium, bonus, dividend, allocation to funds or rebate is paid for that year,

d) A part of the Reserve fund may be invested in the business of the society with the previous approval of the Registrar of Cooperative societies.

(7) **Investment.**

a) The money of the society found to be surplus to requirements, apart from the Reserve fund, shall be invested by the Board of Directors in such investments as per provision of Rules 51 & 55 of Assam Co-operative Societies Rules and such investments shall be accounted for separately from the Reserve Fund.

b) The General Assembly may direct that all or any portion of such investments shall be carried to the Reserve Fund after re-investment, if necessary.

(8) **Current Account.**

a) The working funds of the society shall be kept in

a current account at the local branch of the Assam Cooperative Apex Bank Ltd, provided that, if there be no such branch in the civil administrative area in which the society is located the Board of Directors may decide to keep the funds of the society in the post office Savings Bank or any scheduled Bank as approved by the Registrar of Co-operative Societies. The Secretary / Treasurer of the society shall operate the current account as may be decided by the Board of Directors.

b) If at any time it appears to the Board of Directors that the current account is larger than necessitated by the day-to-day business of the society, the Board of Directors shall invest the surplus amount as prescribed in bye-law (9) (7) (a)

10. DISTRIBUTION OF PROFITS

The General Assembly may take into consideration the distribution of net profits of the society as proposed by the Board of Directors and duly audited by the departmental 'auditors and subject to the approval of the Registrar of co-operative Societies in the following manner-

i) statutory Reserve, as provided in Co-operative Act & Rules,

ii) dividend to Shareholders, as per provision of Act and Rules,

iii) bonus to employees, as per Bonus Act, 1965.

iv) building fund,

v) bad debts fund;

vi) Co-operative development fund,

vii) patronage Dividend to shareholders,

viii) other reserves.

(a) "Interest on Paid up Share Capital shall be payable each year at rates as may be decided by the Annual General Meeting and that such interest shall be taken into account before arriving at net profit for the

11. MISCELLANEOUS

(1) **Amendment of Bye-laws:** Subject to the rules made by the state Government, these bye-laws may be amended by a vote of the majority of members present at a meeting of the General Assembly at which two-thirds of the members of the General Assembly are present. The amendment shall take effect after being registered in the office of the Registrar of Cooperative Societies. But should two-thirds of the members not be present at a meeting called for the purpose, the meeting may be adjourned as prescribed in bye-law 6 (3) and, if two-thirds of the members are not present at the adjourned meeting, the amendment shall be deemed passed if two-thirds of the members present at the adjourned meeting so vote.

(2) **Disputes and arbitration-** Any dispute touching the business of the society between members or past members of the society or persons claiming throgh a member or past member,or between a member or past member or person so claiming, and the society or the Board of Directors of the society or any officer, or any doubt concerning the interpretation of these bye-laws or any dispute between employees and the society or between employee and employees as to wages, hours and conditions of work etc. shall be referred to the Registrar of Cooperative Societies for settlement according to law and he may refer such disputes for settlement by any other person or persons.

(3) **Audit.**

(a) The General Assembly at their annual meeting shall elect an Internal Auditor or Auditors for regular internal check and periodic audits of the society's accounts as prescribed in bye-law 6 (4) (c).

(b) The Board of Directors shall draw up a balance sheet in the prescribed form and shall write a report on the activities of the society annually for the consideration of the General Assembly as prescribed in bye-law 6 (4) (b).

(c) The accounts and the balance sheets shall be audited each year by the Audit staff of the Registrar of Co-operative Societies or by an auditor approved by the Registrar of Co-operative Societies and possessing the prescribed Certificate from the Assam Co-operative College or other recognised Institute. The Secretary of the society shall produce before the Auditor all books and documents necessary for audit.

d) The annual report, accounts and balance sheet together with the observations, if any, of the auditor, shall be laid before the annual meeting of the General Assembly.

(4) **Records.** Such registers, account books and other records shall be maintained by the society as may be prescribed by the Registrar of Co-operative Societies. All such records shall be kept in the custody of the office bearer or employee as prescribed and any member of the Board of Directors may examine such records at any time.

(5) **Rule-making power.** Subject to the provisions of law and these bye-laws the Board of Directors or any of its Sub-committee or any office bearer to whom/which powers have been delegated, may make rules for the effective conduct of that portion of the business of the society for which they are responsible. Copies of all such rules shall be sent to the Registrar of Co-operative Societies. The Registrar of Co-operative Societies may prescribe such rules and they must be followed by the society accordingly.

(6) The society shall be liquidated only by an order of the Registrar of Co-operative Societies. Should there be any surplus after meeting all the liabilities of the society and the costs of liquidation, the amount shall be distributed according to the provisions of the law.

6 (3) One tenth of the total number of members shall constitute the quorum of the General Assembly. No business shall be transacted at any meeting of the General Assembly unless there is a quorum at the time when the business of the meeting is due to commence. If, at any time, during the meeting of the General Assembly attendance of the members falls below the quorum as prescribed above, the Chairman of the meeting on his attention being drawn to the fact or on his own initiative may adjourn the meeting to such a date, time and place as he may think convenient and the business to be transacted at this meeting shall be disposed off in the usual manner at the adjourned meeting even without a quorum. If within one hour from the time fixed for the meeting of the General Assembly the quorum is not formed the meeting shall stand adjourned to the same day of the next week at the same time and place but the Chairman of the meeting may, however, decide to adjourn the meeting to a date not later than fourteen days. A meeting of the General Assembly which has been called on requisition under Sub-section [1] of section 33 of the Act shall not be adjourned but dissolved

7 (1) The society shall be managed by a Board of Directors consisting 15 members provided that there shall be reservation of one seat of Director for the Scheduled Castes or the Scheduled Tribes and two seats for women in the Board of Directors consisting of individuals as members and having members from such class or category of persons. The Board of Directors shall elect the Chairman & the Vice-Chairman amongst themselves for a term of 5 years. This election shall be held in the 1st meeting of the new Board of Directors.

7 (2) The member of the Board of Directors shall be elected by the General Assembly at its annual meeting by simple majority vote, and shall retire on expiry of a term of 5 Co-operative years but shall be eligible for re-election as per provision of Co-operative Act and Rule

(viii) To appoint and fix salaries of the Secretary and Treasurer, and,

7 (7)(x): to mortgage landed properties of the society to Bank/Financial Institutions for securing Loan and Advances.

8 (2) (a): Employees of the society, if admitted to membership of the society, shall have all the privileges of members save that they shall not be entitled to vote –

(i) at the election of a member of the Board of such society.

(ii) in any general meeting convened for framing the bye-laws of such society or any amendments thereto

(a) The authorized Share Capital of the society shall be Rs.One crore which shall be made up and subscribed in the manner prescribed as under: -

(i) 98000 ordinary shares of Rs.100/- each shall be open for subscription to individual members.

(ii) 200 shares of Rs.500/- each shall be open for subscription for registered co-operative societies, and

(iii) 100 shares of Rs.1000/- each shall be open for subscription to State Government.

(b)Value of the share shall be fully paid within 30 (thirty) days from the date of notice of allotment