

No. L-11015/2/98-L&M
Government of India
Ministry of Agriculture
(Department of Agriculture & Cooperation)

Office of the Central Registrar of Cooperative Societies

Krishi Bhawan, New Delhi

Amendment to Certificate of Registration

The name "The Narela Cooperative Marketing & Supply Society Ltd.," with Registered office at Shop No. 2047-2048, Narela Mandi, Narela, New Delhi-40 is changed as "The Farmers Agro Cooperative Marketing & Efficient Supply Society Ltd." (FAME) with registered office at Shop No. 2047-2048, Narela Mandi, Narela, New Delhi-40.

The en-block amendment to bye-laws of the society in the name of "The Farmers Agro Cooperative Marketing & Efficient Supply Society Ltd." are also registered. This certificate is issued under the provisions of Section 11 and Section 13 read with rule 10 of Multi-State Co-operative Societies Act, 2002 and rules framed there under.


(J.P. Meena)

Joint Secretary (Credit & Cooperation)
&

Central Registrar of Cooperative Societies

To

The Chief Executive Officer/Secretary
The Farmers Agro Cooperative
Marketing & Efficient Supply Society Ltd.
Shop No. 2047-2048 Narela Mandi,
Delhi-110040.

Copy to:

1. The Registrar of Cooperative Societies,
Delhi Administration, Parliament Street,
New Delhi.
2. The Registrar of Cooperative Societies,
Govt. of Haryana, 30 Bays Building, 4th Floor,
Sector- 17 B,
Chandigarh-160017.
3. Guard file.
4. Office copy.

BYE – LAWS

THE FARMERS AGRO COOPERATIVE MARKETING & EFFICIENT SUPPLY SOCIETY LTD

1. (i) The Name of the society shall be THE FARMERS AGRO COOPERATIVE MARKETING & EFFICIENT SUPPLY SOCIETY LTD (hereinafter called FAME) and its registered address and principal place of business shall be at SHOP NO.2047-2048, Narela Mandi, Delhi 110040. Any change in the address shall be notified to the Central Registrar Cooperative Societies within 14 days.
- (ii) FAME shall be a body corporate and shall have the power to acquire, hold and dispose of property, both moveable and immovable, enter into contract, institute and defend suit and other legal proceedings and to do all things necessary for the purpose of furthering the interests of its members based on cooperative principles. FAME shall conduct its operations in a professional and commercial manner to ensure the social and economic development of its members and optimum returns to its members on their contributions in FAME.
2. The area of operation of FAME shall extend to the whole of the Indian Union. In the interest of its members and its business FAME may extend its operations beyond the India Union.
3. In these bye-laws unless there is any thing repugnant to the subject or context (1) the expression "the Act" means THE MULTI STATE COOPERATIVE SOCIETIES ACT, 2002.

"The RULES" means THE MULTI STATE COOPERATIVE SOCIETIES Rules framed under Multi State Cooperative Societies Act, 2002.

"BYE-LAWS" means the bye-laws registered under this Act & Rules.

"CENTRAL REGISTRAR" means the Central Registrar of Cooperative Societies.

Words and expressions defined in the Act and Rules used in these bye-laws shall have the same meanings as assigned to them in the Act and Rules.



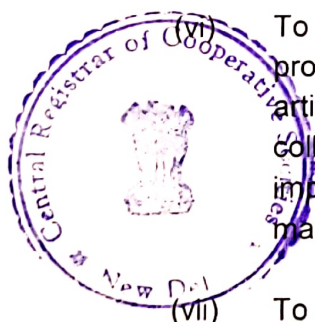
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OBJECTS

4. Its objects shall be :

To organize, promote and develop marketing, processing and storage of agricultural, horticulture and forest produce, distribution of agricultural machinery, implements and other inputs, undertake inter-state, intra-state, import and export trade wholesale or retail as the case may be and to act and assist for technical advice in agricultural production for the promotion and the working of its members in furtherance of these objectives, the Society may undertake one or more of the following activities:-

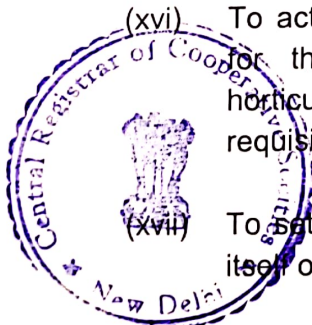
- (i) To sell on commission or otherwise agricultural produce of its members;
- (ii) To arrange on commission or otherwise supply of such agricultural requirements such as seeds, fertilizers, agricultural implements etc. to its members;
- (iii) To act as an Agent of Cooperative societies affiliated to it for receiving repayments of loans sanctioned by such societies to their members;
- (iv) To act as an agent of Cooperative Societies affiliated to it for receiving for safe custody in its godowns or elsewhere the agricultural produce of members of such affiliated societies and make advance payments etc.;
- (v) To undertake purchase, sale and supply of agricultural products, marketing and processing requisites, such as manure, seeds, fertilizer, agricultural implements and machinery, packing material, construction requisites, processing machinery for agricultural commodities, forest produce, dairy, wool, and other animal products; to act as warehouseman under the warehousing Act and own and construct its own godowns and cold storage;



(vi) To undertake manufacture of agricultural machinery and implements, processing, packing etc. and other production requisites and consumer articles by setting up manufacturing units either directly or in collaboration with or as a joint venture with any other agency, including import and distribution of spare-parts and components for up-keep of the machinery-implements/agriculture inputs;

(vii) To maintain transport units of its own or in collaboration with any other organization in India or abroad for movement of goods on land, sea, air, etc;

- (viii) To acquire, take on lease or hire; lands, buildings, fixtures and vehicles and to sell, give on lease or hire them for the business of the Society;
- (ix) To undertake grading, packing and standardization of agricultural produce and other articles;
- (x) To undertake distribution of diesel, petrol, CNG and other consumer items and obtain agencies from Government and other Business Institutions including petrol pump and Gas Agencies;
- (xi) To arrange specialized Training for the employees and members on cooperative Marketing and management etc.
- (xii) To organize consultancy work in various fields for the benefit of the members and other cooperatives;
- (xiii) To undertake or promote on its own or on behalf of its members or the Government organizations, inter-state intra-state and other international trade and commerce and undertake, wherever necessary, sale, purchase, import, export and distribution of agricultural commodities, horticultural and forest produce, other articles and goods from various sources for pursuing the business activities and to act as the agency for export, import and inter-state trade of agricultural and other commodities; and to facilitate these activities wherever necessary to open branches/sub-offices and appoint agents at any place;
- (xiv) To act as an insurance agent and to undertake all such activities which are incidental to the same;
- (xv) To facilitate, co-ordinate and promote the marketing and trading activities of the of the Cooperative Institutions in agricultural and other commodities, articles and goods;
- (xvi) To act as agent of any Government Agency or cooperative institution, for the purchase, sale, storage and distribution of agricultural, horticultural, forest and animal husbandry produce, wool, agricultural requisites and other consumer goods;
- (xvii) To set up storage units for storing various commodities and goods, by itself or in collaboration with any other agency in India or abroad;
- (xviii) To establish units for processing of agricultural, horticultural and forest produce, wool/cattle and poultry feed;



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- (xix) To guarantee loans or advances or give undertakings on behalf of any such society or company as mentioned above to any financing institutions;
- (xx) To guarantee loans or advances or give undertakings to any society or company in which the Society has a share holding or financial involvement as a promoter to be able to assist its development or expansion or for starting any industrial undertaking by such societies/companies;
- (xxi) To undertake marketing research and dissemination of market intelligence;
- (xxii) To subscribe to the share capital of other cooperative institutions as well as other public, joint and private sector enterprises if and when considered necessary for fulfilling the objectives of the Society;
- (xxiii) To advance loans to its members and other cooperative institutions on the security of goods or otherwise;
- (xxiv) To collaborate with any international agency or a foreign body for development of cooperative marketing, processing and other activities for mutual advantage in India or abroad;
- (xxv) To do all such things or undertake such other business or activities as may be incidental or conducive to the attainment of any or all of the above objects.

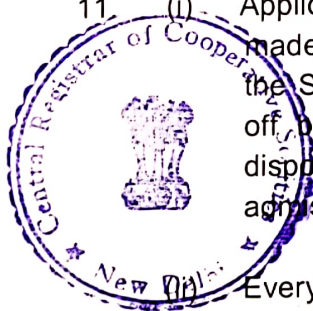


MEMBERSHIP

5. The members shall consist of :-

- (i) Persons joining in the application for registration;
- (ii) Person admitted in accordance with these bye-laws;

6. Any person shall be eligible as a members provided :-
- (a) He is resident in the areas 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 person.
 - (d) He is cultivator ;
 - (e) It is a registered cooperative society not withstanding anything contained in (d) above Non-cultivators will also be eligible for being its members as sympathisers provided the number of such sympathiser members shall not at any time exceed 10% of the membership.
7. Notwithstanding the provision of the proceeding bye-law, the Government or the Financing Institution, Delhi if requested by the Society, may become a Share holder.
8. Members other than those who join in the application for registration shall be admitted by the Managing Committee.
9. Every member on admission shall pay Rs. 10/- as admission fee which will not be refunded in any case. He shall also sign or make his thumb impression in the Register of members.
10. When a person's application for membership has been accepted by the Committee and he has paid his admission fee and has subscribed at least full amount towards one share subscribed by him, 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 Multi State Coop. Societies Act, 2002 the Rules made there-under and these bye-laws.
11. (i) Application for admission as member and for allotment of shares shall be made to the Secretary / Chief Executive in the Form if any, prescribed by the Society for the purpose. Every such application shall be disposed off by the Society for the purpose. Every such application shall be disposed off by the Managing Committee, who shall have power to grant admission or to refuse it after recording reason for such refusal.
- Every application for admission as a member of a multi-State cooperative Society shall be disposed of by FAME within a period of four months from the date of receipt of the application, and the decision of FAME on the application shall be communicated to the applicant within fifteen days from the date of such decision:



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Provided that if the application is not disposed of within the period aforesaid, or the decision is not communicated within a period of fifteen days of the expiry of the aforesaid period of four months, it will be understood that FAME shall have made a decision, on the date of expiry of such period, refusing admission to the applicant.

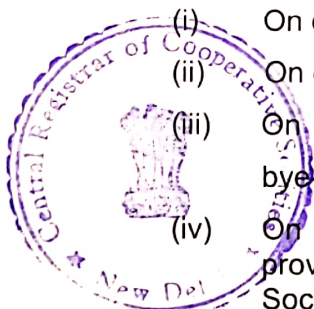
Provided however that any person whose application has been refused by the committee, he may appeal in accordance with Section 99(1)(c) and Rule 31 of the Multi State Cooperative Societies Act, 2002. The decision of the Appellate Authority shall be final and binding.

The Managing Committee may, from time to time, make such call or calls, as it may deem fit, in respect of the amounts remaining unpaid on the shares held by the members. Every member shall pay such call money within the period mentioned in the call notice;

- (i) If a member fails to pay the amount within the period specified in the call notice, FAME shall issue another notice informing the member that in the event of non-payment of call money within 30 days of the notice, the shares in respect of which such notice, is issued, will be liable to be forfeited to FAME;
- (ii) If a member does not pay the call amount even within the time specified in the second notice aforesaid, the Managing Committee may, by a resolution, order the forfeiture of the shares in respect of which the notice was issued;
- (iii) Every forfeited share shall be the property of FAME, and may, at any time, be sold or allotted or otherwise disposed of in such manner as the Managing Committee may think fit. Provided, however, that at any time before the disposal of the shares, the Managing Committee may cancel such forfeitures on such terms and conditions as it thinks fit.

12. Membership shall cease :-

- (i) On death;
- (ii) On expulsion under these bye-laws;
- (iii) On ceasing to hold the minimum number of share prescribed in these bye-laws;
- (iv) On withdrawal after one month notice in writing to the secretary, provided that the member withdrawing does not owe anything to the Society;
- (v) On ceasing to reside in the area of operation of the Society;
- (vi) In the case of a cooperative society on cancellation of its registration;
- (vii) In the case of a Government nominee, under order of Govt.



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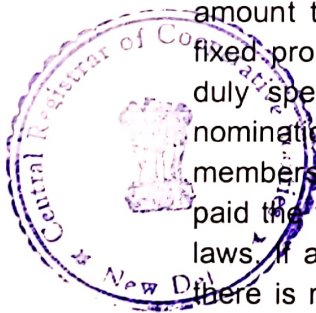
13. A member of the society may be expelled by a two third majority of votes of the members present at a general meeting :-

- (i) If he makes default in the payment of the installments of his shares;
- (v) If he applied for bankruptcy;
- (vi) If he is convicted of a criminal offence involving dishonesty or moral turpitude;
- (iv) If he intentionally does any act likely to injure the credit of the society or fails to observe proper discipline in regard to work of the society;
- (v) If he does not sell his produce through the Society in accordance with these bye-laws and utilize the minimum level of services as determined by the Managing Committee from time to time;
- (vi) If he does any action which may be held by Managing Committee or a General Body to be dishonest or contrary to the stated objects of the society or to the interest of cooperation;

Before expulsion, the member will be given an opportunity to explain, his position. After the explanation has been considered, the member, if necessitated, may be suspended by the Managing Committee which shall then call a general meeting within one month from the date of suspension. Termination of membership shall taken effect from the date of approval of expulsion by the general body.

Provided that the member concerned shall not be expelled unless he has been given a reasonable opportunity of making representation in the matter.

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 nominee 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 or nominees; shall be paid the value of the shares or interest subject to the provisions 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.



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15. Subject to the provision of the Act, notified rules and these bye-laws a member or the nominee or successor of an ex-member may transfer his shares to another member or applicant qualified under these bye-laws and approved by the committee.

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.

The value of share shall in no case be more than the sum received by the Society in payment thereof.

16. The Capital shall be composed of :

- (a) The Authorised share capital of Society shall be Rs.1 crore, made up of the following two categories of shares:

- (i) 15,000 shares with face value of Rs.500/- each to be allotted to individual members;
- (ii) 500 shares with face value of Rs.500/- each to be allotted to primary societies at the village level;
- (iii) The value of one share shall be Rs.500.

- (b) Deposits from members ;
- (c) Loans and Deposits from non-members ;
- (d) Donations and grants in aid;
- (e) Realised profits;
- (f) Admission fee

MAXIMUM BORROWING LIMITED

- 16A. FAME Shall be eligible to received deposits and loans from members and others upto 10 times of its paid-up share capital plus accumulated reserves minus any losses.



SHARES

Every member shall purchase at least 1 (one) share in case of individual member and 10 (ten) shares in case of cooperative society and shall pay the amount in lump sum.

LIABILITY

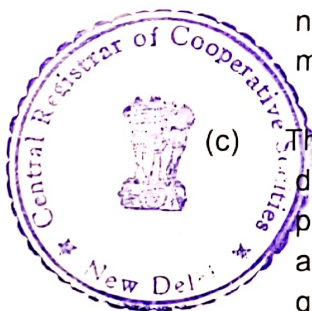
18. The liability of members for any deficit in the assets of the FAME shall be limited to the face value of the subscribed shares.

GENERAL BODY

19. (i) The General Body of FAME will be the supreme authority for taking decisions for interpretation of the purpose of the Act, Rules and the Bye laws;
- (ii) The General Body shall consist of all the individual members and one delegate of a member cooperative society nominated by the Managing Committee of the member Society as per provision of the Multi State Coop. Societies Act, 2002 and Rules framed thereunder.
20. Managing Committee of a member Cooperative Society may specify the period for which its nominee shall continue to represent it in the general meeting.
21. The first general body of the members shall have the same power as are here given to the annual meeting.

GENERAL BODY MEETING

22. (a) The Annual General Meeting of the members shall be called within a period of six months after the dates 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 but not exceeding one month by the Managing Committee and shall be called by the Secretary/Chief Executive on receipt of a requisition from 1/5th of the total number of members or from the Central Registrar of Cooperative Societies
- (b) In case of the Annual General Meeting the date, time and place of the meeting shall be announced at least 14 days clearly in advance and in that 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;
- (c) The presence of at least 1/5th of the members shall be necessary for the disposal of any business at a general meeting. If the quorum is not present within half an hour the meeting shall stand adjourned for another half an hour and will be held at the same place without any quorum;
- (d) Fifteen days clear notice shall be given for that General Body Meeting where the proposal for the amendments to the bye laws is to be considered;



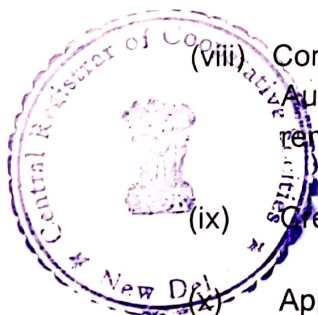
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- (e) The President or the vice President or in their absence one of the other members elected for the purpose shall preside;
- (f) Unless otherwise provided in these bye-law, the ultimate authority in all matters relating to the Management of the Society shall vest in the General Body.

POWERS OF THE GENERAL BODY

23. Without prejudice to the general provisions of the preceding bye-law, the duties and powers of the general meeting shall be :

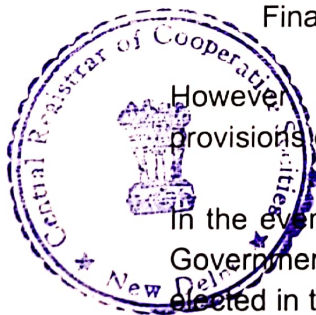
- (i) To elect, suspend or remove members of the Managing Committee including a president and Vice President;
- (ii) To consider annual report of the society, its audited balance sheet and profit and loss account and the inspection notes of the Registrar and any person authorised by the Registrar to inspect;
- (iii) To dispose off profit in accordance with the Act, Notified Rules and these bye-laws;
- (iv) To fix subject to the approval of Registrar, the maximum borrowing limit of the society;
- (v) To amend bye-laws, subject to the provisions of the Multi State Cooperative Societies Act, 2002;
- (vi) To expel members as per Act, Rules and Bye-laws;
- (vii) To consider any other business with the permission of the Chairman;
- (viii) Consideration of Audit Report; Appointment of Auditors from the panel of Auditors as prepared by the Board of Directors/Central Registrar, to fix remuneration of Auditors subject to the provisions of the Act;
- (ix) Creation of specific reserves and other funds;
- (x) Approval of Annual Budget;
- (xi) Review the list of employees who are relatives of members of the Board or of the Chief Executive;



- (xii) Consideration of Audit Compliance Report;
 - (xiii) Approval of the long-term perspective plan and the annual operational plan;
 - (xiv) Formulation of code of conduct for the members of the Board and officers
24. (i) All business discussed or decided at the meeting of the General Body shall be recorded in proceeding book which shall be signed by the Chairman of the Meeting;
- (ii) Each page of the Minutes Book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman/ Chairperson of the Meeting.
25. (i) The amendment of Bye-laws shall only be carried out by a majority of 2/3rd members present in the meeting. In which due notice to discuss such amendments has been given to the members. Such amendment shall be forwarded to the Registrar for Registration within a period of sixty days from the date of meeting;
- (ii) The amendments shall be effective from the date of registration by the Registrar.
- (iii) All other questions shall be decided by the majority of votes.

MANAGING COMMITTEE

26. Managing Committee shall consist of 15 members of the Society over the age of 21 years elected in the following manner :-
- (a) Six members from the affiliated cooperative societies;
 - (b) Six members from the individual members of the Society ;
 - (c) Three nominees of the Government or Financing Institution in the event of contribution to the Share Capital of the society by the Government or Financing Institution as the case may be.



However, the nominee directors of the Government shall be as per the provisions of Section 48 of the Multi State Cooperative Societies Act, 2002.

In the event of no contribution having been made to the Share Capital by the Government or the Financing Institution, the Managing Committee shall be elected in the following manner :

- a) Seven members from the affiliated cooperative societies;
- b) Eight members from the Individual members of the society.

- (i) The Managing Committee shall include a President and Vice President. One third members shall form a quorum. The President or Vice President or in their absence one of the member of the Committee shall be elected to preside over the meeting. Each member of the Board shall have one vote. However, in the event of equality of votes, the President shall have a casting vote in addition;
- (ii) The term of the Office of the Members of Managing Committee shall be such, not exceeding 5 years from the date of election.

Provided that the elected members of the Committee shall continue to hold office till their successors are elected or nominated under the provisions of the Act/Rules or Bye laws and assume charge of their office.

- (iii) Where the Managing Committee fails to conduct elections of the Members of the Committee, the Central Registrar shall hold the elections within a period of ninety days from the date when such elections became due;
- (iv) The expenses for holding election by the Central Registrar shall be borne by the Society.
- (v) In case there is no Government equity or the equity by the Financial Institutions, the General Body shall elect all 15 members of the Committee. The Election officer shall call the meeting of newly elected members and shall arrange the election of President, Vice President amongst the elected members of Managing Committee. The Members of the Committee may co-opt a member to fill a vacancy occurring during the year till the next general meeting. In the case of Government nominee or the nominees of the Financing Institution, his membership of the Committee shall continue for so long as the Govt. or the Financing Institution does not terminate it. Meeting of the Managing Committee shall be held atleast once in every quarter and may be called by the Secretary by giving 5 days notice to the members of the Committee by post or by personal service or on receipt of a requisition from five members of the Managing Committee or from the Registrar, Coop. Societies or any person authorised by him. The Managing Committee may co-opt two experts in the field of Management, Finance and Cooperation, Technical and/or Bank of such or such other professionals who would professionally strengthen FAME.



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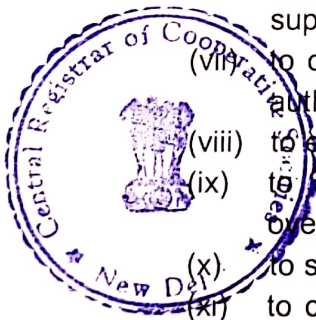
- (vi) However the elected members of the Managing Committee shall be eligible for re-election.

27. A Member of the Committee shall cease to hold office, if he :-

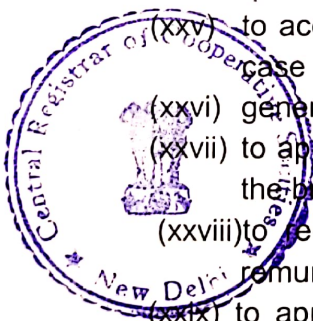
- (i) Ceases to be a member of the Society ; or
- (ii) Applies of insolvency or is declared insolvent ; or
- (iii) Becomes of unsound mind ; or
- (iv) is convicted of any offence involving dishonesty or moral turpitude; or
- (v) holds any place of profit under the society;
- (vi) fails without showing satisfactory reasons to the committee to attend three consecutive committee meeting; or
- (vi) resigns or his resignation is accepted by the committee ; or
- (viii) ceases to be a delegate of the affiliated cooperative society.

28. The Committee shall exercise all the powers of the Society except those reserved for the general meeting subject to any regulations or restriction laid down by the Society in a general meeting or in the bye-laws and in particulars 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 or sold ;
- (iii) to maintain true account of assets and liabilities of the society;
- (iv) to keep a register of members correct and upto date ;
- (v) to prepare and lay before the general meeting the annual profit and loss accounts 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 arrange for the recovery of shares installments and interest of overdue installments;
- (x) to summon general meeting in accordance with these byelaws ;
- (xi) to contract loans subject to any restriction imposed by the Registrar or general meeting and to make necessary arrangements for its repayments ;



- (xii) to decide the terms on, the period for and the rates of interest at which deposits are to be received and to arrange for the payment of such deposits ;
- (xiii) to arrange for the adequate storage of the produce of members and its marketing thereafter;
- (xiv) to assist the inspection of the books by any person authorised to see them;
- (xv) to appoint, suspend, punish and dismiss employees subject to the rules and regulations of the Society as framed under the MSCS Act, 2002 and the Rules framed thereunder;
- (xvi) Through any member or officer or employee of the society or any 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;
- (xvii) to acquire on behalf of the society shares in other registered cooperative societies;
- (xviii) to invest the surplus funds of the Society in accordance with the Act, Rules;
- (xix) to purchase, sell, hire or otherwise acquire and dispose of property on behalf of the society ;
- (xx) to fix the scale of salaries to be paid to employees ;
- (xxi) to appoint a Secretary/Manager and to fix his remuneration as per the rules of FAME;
- (xxii) to distribute the duties between the Secretary and other employees if necessary ;
- (xxiii) to arrange for the safe custody of the property of the society to maintain it in a good state of affairs and when necessary to arrange for its Insurance ;
- (xxiv) to arrange for the internal checking of the accounts atleast once in every quarter;
- (xxv) to accept or reject the resignation from the committee members and in case of acceptance to co-opt another member till the election ;
- (xxvi) generally to carry on the business of the Society;
- (xxvii) to appoint trustee or trustees, attorney or attorneys, agent or agents for the business of FAME;
- (xxviii) to recommend to the General Body the panel of auditors and their remuneration.
- (xxix) to appoint Executive Committee and delegate to such power may be appropriate.



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 byelaws.

29. The Managing Committee shall constitute an Executive Committee consisting of the following :

- (i) Chairman;
- (ii) Secretary; and
- (iii) Three members of the Managing Committee.

Powers of the Executive Committee

- (i) to determine powers, duties and responsibilities of the employees of FAME;
- (ii) to close, open and operate Bank accounts of the FAME;
- (iii) to settle terms for sale of fertilizers and other commodities on credit to member society and individual farmers of FAME;
- (iv) to settle terms for advances to farmers as crop loan of FAME;
- (v) to settle terms for sale & purchases on commission basis and other business proposals of FAME.

29A 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 of the meeting. Each page of the recorded proceedings shall be initialed and last page signed and dated.

SECRETARY/CHIEF EXECUTIVE OFFICER

30. The Committee may appoint a Secretary / Chief Executive Officer and may require them to give such security as may be prescribed by the Managing Committee.

31. The powers and duties of the Secretary / Chief Executive Officer shall be as follows:

- (i) to maintain correctly and upto date the prescribed papers and registers;
- (ii) to procure from borrowers and due execution of bonds with security when required under these byelaws;
- (iii) to prepare all receipts, vouchers and documents required by the notified Rules or the byelaws by the Committee;



- (iv) to sign on behalf of the society and conduct its correspondence;
- (v) to summon and attend general meetings and meetings of the committee;
- (vi) to record the proceedings of such meetings and get them duly signed;
- (vii) to present the draft annual report and financial statement for the approval of the Committee within the 30 days of closure of the financial year;
- (viii) to control the staff;
- (ix) to certify the entries in the books under provision of Act & Rules;
- (x) to incur contingent expenditure subject to the sanction of the Committee;
- (xi) to keep in safe custody all the registers and other papers of the society and other property of the society;
- (xii) generally to conduct the current business of the society and perform all duties entrusted to him by the Committee;
- (xiii) to be the officer of the Society to sign all bonds and agreements on behalf of FAME; or to authorize officers for the purpose;
- (xiv) to assist the Managing Committee in the formulation of policies, objectives and planning;
- (xv) to furnish to the Managing Committee periodical information necessary for apprising the operations and functioning of the Society;
- (xvi) appoint the person to sue or to be sued on behalf of the Society;
- (xvii) making arrangements for the proper maintenance of various books and records of the Society and for the correct preparation and timely submission of periodical statements and returns.

TREASURER/ MANAGER



32. The Treasurer / Manager shall take charge of all money received by the society and shall make disbursement in accordance with the directions of the Committee. He shall sign the Cash Book in token of its correctness and shall produce the cash balance whenever called upon to do so on the Committee, the Registrar, the auditor or any other person authorised by the Registrar in this behalf.

33. The treasurer / Manager shall ordinarily hold a cash balance not exceeding a limit to be fixed by the committee. All cash in excess of the limit so fixed shall be deposited in a Bank to be selected by the Committee and approved by the Registrar or in the Financing Institution or the Post Office Saving Bank.

REGISTERS

34. The following registers and papers shall be maintained and shall be opened to the inspection of any one interested in the funds except that no one shall be allowed to see the deposit account of any person without that person's consent in writing :

- (i) Registers of members showing the name, address and occupation of every member, the number of shares held by him, the date of his admission to membership, the date of termination of membership and the name of the nominee or the nominees appointment by him;
- (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) Share installment register ;
- (vi) Surety register ;
- (vii) Stock register ;
- (viii) Purchase and sale register ;
- (ix) separate minute books for the proceedings of the meeting of the General Body and those of Managing Committee ;
- (x) and other registers as may be needed to efficiently run the Society; and prescribed by the provisions of Multi State Cooperative Societies Act & Rules for its business.

35. Copies of the byelaws and the balance sheet shall be supplied free on demand to any member. The last balance sheet shall be opened to public inspection during all office hours.



AUDIT

36. The accounts of the Society shall be audited at least in a year by an auditor appointed by General Body out of the panel recommended by the Managing Committee or the panel of auditors maintained by the Office of the Central Registrar. The Society shall pay such contribution as audit fee as approved by the General Body in accordance with the Act & Rules.

DISTRIBUTION OF PROFIT

37. 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 net profits or rupees fifteen lakhs which ever is less left after the Reserve Fund has been created may be carried to a common good fund which shall be spend on any purpose in accordance with charitable Endowment Act -1890;
- (iii) Not less than 10% of the net profit may be carried to the Bad Doubtful fund;
- (iv) Transfer an amount not less than 10% to reserve fund for meeting unforeseen losses;
- (v) Not more than 18% per annum may be distributed as dividend on the value of shares actually paid-up;
- (vi) The Society shall credit a sum calculated at 1% of its net profit to Coop. Education Fund to NCUI/other institutions as indicated by Cooperative Education Fund Committee;
- (vii) The remainder of the net profits may be carried over to the profits of the next year or allocated to any fund required by the Society. Portion of such profits may also be utilized for giving rebate to members as provided in the notified Rules.

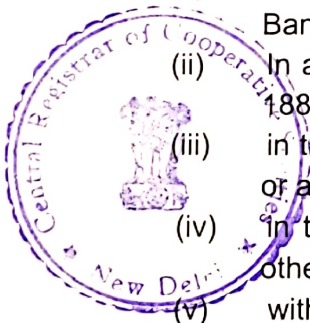
INVESTMENT OF FUNDS

38. FAME may invest or deposit its funds in the following manner:

- (i) in a cooperative bank, State Cooperative Bank or Central Cooperative Bank; or
- (ii) In any of the securities specified in Section 20 of the Indian Trusts Act, 1882 (2 of 1882); or
- (iii) in the Shares or Securities of any other Multi State Cooperative Society or any Cooperative Society; or
- (iv) In the Shares or Securities or assets of a subsidiary institution or any other institution; or
- (v) with any other bank.

All funds including the gratuity fund shall be invested separately.

39. No dividend shall be paid while any claim due from the society to a depositor or creditor remains unsatisfied.



40. It shall be competent for the society to incur expenditure on such measures as are conducive to the imparting to knowledge of Cooperative principles and practices.
41. The services of the members of the Managing Committee shall be honorary but they may be paid traveling and daily allowance on a scale approved by the general meeting.

DISPUTES

42. If any dispute touching the constitution or business of the Society arising between members or past members of the Society or persons claiming through a member or past members or between members or past members or persons so claiming and any officer, agent or servant of the Society (past or present or between the Society or its committee and any officers, agent, member or servant of the Society) (past or present), it shall be referred to the Arbitrator as appointed by the Central Registrar. The provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) shall apply to all arbitrations under this Act.

GENERAL

43. All matters not specially provided for are to be decided in accordance with the provisions of the Multi State Cooperative Societies Act & Rules.
44. The Managing Committee with the approval of the General meeting may frame rules of business not inconsistent with the Multi State Coop. Societies Act & Rules and these byelaws for carrying on the work of the Society and may make additions or alteration in them from time to time.
45. In case of any dispute about the meaning or interpretation of any provision of the Multi State Coop. Societies Act, Rules and these byelaws, the provisions of the Multi State Cooperative Societies Act, 2002 and Rules framed thereunder will prevail.

LIQUIDATION

46. The Society shall be wound-up and dissolved only by order of the Registrar in accordance with the provisions of Section 86 of the Multi State Cooperative Societies Act, 2002.

