

**Model Bye-laws for a
Multipurpose Village/ Dairy Cooperative Society**

NATIONAL DAIRY DEVELOPMENT BOARD, ANAND

May 2025

Model Bye-laws for a Multipurpose Village/ Dairy Cooperative Society

1. Name, Address and Jurisdiction
 - 1.1. The name of this society shall be “The Multipurpose Village/ Dairy Cooperative Society Ltd.” and its registered address shall be atPost Office Sub division..... Tehsil/TalukaDistrict Pin code..... Any change in this address shall be notified to the Milk Union to which it is affiliated and Registrar within 30 days.
 - 1.2. The E-mail address of the Multipurpose Village/ Dairy Cooperative society shall be
 - 1.3. The area of operation for milk procurement of the society shall be..... village/s Post Office Subdivision Tehsil/Taluka District state Pin code.....
2. Definitions
 - 2.1 **“Act”** means the State Cooperative Societies Act under which the society is registered.
 - 2.2 **“Agriculture”** means agriculture and allied activities.
 - 2.3 **“Area of operation”** means the geographical area (revenue village (s)/Panchayat) from which the society is authorized to draw its membership as specified in the Bye-laws.
 - 2.4 **“Auditor”** means a certified auditor appointed either by the Registrar of the Cooperatives or by the Society, as defined in the Act, to audit the accounts of the society.
 - 2.5 **“Bye-laws”** means the registered Bye-laws of the society and includes amendments carried out from time to time.
 - 2.6 **“Chairman”** means the person elected in accordance with the provisions of the Act/Rules/Bye-laws.
 - 2.7 **“Employee”** means the person appointed by the Managing Committee in order to maintain the day-to-day operations of the society.
 - 2.8 **“Financial year”** means the period commencing from the 1st day of April of any year and ending with the 31st day of March of succeeding year.

- 2.9 **“General Body”** means a Body consisting of all the members of the society.
- 2.10 **“General Meeting”** means meetings of the General Body called and conducted in accordance with the provisions of the State Cooperative Societies Act and the Bye-laws.
- 2.11 **“Government”** means the State Government/ Government of India/Appropriate authority in the Union Territory (U.T.) with reference to the context.
- 2.12 **“Managing Committee”** means the governing body of the society by whatever name called, constituted as per the Act to which the direction, control and management of the affairs of the society is entrusted.
- 2.13 **“Member”** means any individual admitted as member of the society in accordance with the Act, the Rules and Bye-laws.
- 2.14 **“Nominal member”** means any individual/farm/institution admitted to the membership of the society for a specific purpose as nominal member as provided in the Act, Rules and Bye-laws and shall have no voting right.
- 2.15 **“Patronage”** means the extent to which a member participates in the business of the society by quantity of milk supplied and such other criteria as may be decided by the Managing Committee from time to time
- 2.16 **“Registrar”** means the Registrar of Cooperative Societies appointed by the State Government as per the State Cooperative Societies Act to perform the functions of the Registrar.
- 2.17 **“Rules”** means the Rules framed under the State Cooperative Societies Act under which the society is registered.
- 2.18 **“Secretary”** means the person appointed by the Managing Committee to carry out the responsibilities as set out in the Bye-laws.
- 2.19 **“Society”** means the Multipurpose Village/ Dairy Cooperative Society.
- 2.20 **“Union”** means the Cooperative Milk Union to which the society is affiliated.

Words imparting masculine gender shall be taken to include feminine.

3.0 Objectives

The objective of the society shall be to promote the economic interest of its members by collecting milk from them, improving quality and increasing quantity of milk production per milch animal and to provide necessary guidance and assistance to the members on cattle breeding and rearing. In furtherance to the above objective, the society may undertake following activities:

- 3.1 To undertake activities necessary for the production, procurement of clean and quality milk and to increase the productivity of animals.
- 3.2 To provide facilities for the marketing of milk through the _____ Milk Union.
- 3.3 To provide or arrange to provide technical and managerial services in the areas of breeding, feed/fodder, veterinary services to increase the milk productivity and thereby milk production.

With a view to enhance the financial wellbeing of its members, the society may also undertake the following activities:

- 3.4 To carry on the business of dealing in agriculture, horticulture and fisheries / shrimp farming / poultry / sericulture produces/products of all description and carrying all kinds of allied activities including dealing with seeds, seedlings, chemicals/biologicals/fertilizers, insecticides, pesticides, fungicides, bio controllers, irrigation systems, energy, farm equipment, medicines, treatment and vaccination services for livestock as producers, traders, marketers, importers, exporters that are part of or incidental to any activity related thereto.
- 3.5 To promote and develop backward linkages such as demonstration plots, manure, fertilizers, improved planting material/seed production and forward linkages for the allied /other activities such as field crops, fruits & vegetables, horticulture, apiculture, sericulture, agriculture, construction of warehouse/godown etc. related and other income generating activities.
- 3.6 Take any activity for the cleanliness and promoting hygiene, sanitation and health care among members in the village.
- 3.7 To establish or arrange to establish consumer store/provision store/gas agency and petrol pump etc.
- 3.8 To undertake activities for promoting green energy i.e. Bio-gas, Solar, Wind, Hydel power, etc.

- 3.9 To promote education and awareness among the members by opening the libraries, reading rooms, e-library and digital/smart class rooms and mass contact programmes.
- 3.10 To undertake sports and cultural activities for the overall growth and development of the members and their families.
- 3.11 To act as common service center for providing online/digital services to its members.
- 3.12 To obtain financial assistance from the government, other financial institutions and from the affiliated Milk Union in the form of grant and donation for the development of the society.
- 3.13 To provide or arrange credit, loan, insurance such as animal, human health, crop etc. to its members for their social & economic development.
- 3.14 To promote the concept of thrift, self-help and cooperation among members.
- 3.15 To create awareness, capacity building programmes, skill development, fairs and exhibitions or any extension related activities.
- 3.16 To demonstrate, promote and develop the latest technologies or extension activities, training, related to dairy, agriculture and allied activities for enhancing the income of the society and its members.
- 3.17 To take up all other concerned activities for carrying out the above objectives for the overall development of Village/ Dairy Cooperative Society.
- 3.18 Any other activity other than milk which is not covered above for the welfare and benefit of the members.

4.0 Funds

4.1 Funds of the society may be raised by –

4.1.1 Issue of shares

4.1.2 Entrance fees/Admission Fee

4.1.3 Receiving deposits from members

4.1.4 Raising loans

4.1.5 Donations, subsidies, grants and aids etc,

4.2 The authorised share capital of the society shall not exceed Rs. and the face value of the share shall be Rs. _____to be paid with the

share application, or in instalments as may be decided by the Managing Committee.

4.3 The society may from time to time decide on increase in authorized share capital subject to the provisions of the Act.

4.4 The total amount of loans and deposits should not exceed _____ times the total of paid-up share capital, accumulated reserve fund and building fund less the accumulated losses.

5.0 Membership

5.1 A milk producer is entitled to be a member if:

5.1.1 He is residing within the areas of operation or is having his own dairy farm in the area of operation and has completed 18 years of age and is competent to contract.

5.1.2 He rears buffalo/cow for milk production and has supplied milk to the society for three consecutive months preceding the date of his application

5.1.3 He agrees to fulfil the patronage criteria as may be decided by the society on following parameters

- Minimum number of days of pouring to be _____ days _____ Ltr/Kg of milk to be poured in a year.
- Flush to Lean ratio of milk supply to be -----
- Society may decide to implement matching share capital contribution in proportion to the quantity of milk poured during the year as one of the patronage criteria.

5.1.4 His written application in the prescribed form for membership has been approved by the majority of the Managing Committee (for this see Schedule-A). The processing of applications for membership should be completed and acceptance or refusal with reasons should be communicated to concerned applicants within 60 days (or as decided by the State/ U.T.) of receipt of applications. The failure of communication will automatically result in deemed membership. Such persons will have all the rights of members.

5.1.5 He/She or his/her family is not in the business of milk and milk products, however, membership can be given to the milk producer who wants to become the member even if his/her family member is involved in the business of milk but Managing Committee of society will ensure that the concerned is not having business relation with the family member involved in milk business.

- 5.1.6 He should not be a paid employee of the society.
- 5.1.7 He has taken at least one share or the number of shares as decided by the society in the patronage criteria and paid an entrance fee of Rs.
- 5.1.8 He has agreed (in writing) to supply milk only to the society.
- 5.1.9 He is not bankrupt or is not legally disabled.
- 5.1.10 He is not criminally convicted for moral turpitude.
- 5.1.11 No other person from his/her family is a member of the society.
- 5.2 Those who have signed the original application for the registration of the society shall be exempted from Bye-law no. 5.1.4.
- 5.3 The liabilities of a member shall not exceed any unpaid amount on share subscribed.
- 5.4 Any member –
- i. If he has dues with the society
 - ii. If he ceases to have any of the qualifications for membership prescribed in Bye-law no. 5.1
 - iii. If he has sold milk to any other agency other than society
- Shall not enjoy any other right in the society other than receiving bonus, dividend and other monetary benefits such as getting fodder seeds at subsidized rates etc.
- 5.5 Any member may withdraw from the society at any time by submitting his resignation to the Managing Committee and getting it approved. But such approval shall not be given while he is in debt to the society or he is a surety to another member. In case a member has no outstanding dues with the society or he is not a surety to another member, his resignation will be considered as accepted after one month from the date of his resignation even if the Managing Committee has not approved it.
- 5.6 Members who do not fulfill the member eligibility criteria as prescribed in Bye-law no. 5.1 can be taken as nominal member on payment of Rs- ---- as admission fee which is non-refundable.
- 5.7 Persons involved in other allied activities shall be admitted as nominal members of the society.
- 5.8 Nominal member shall be admitted for business purpose only, they will not have any right to vote in the affairs of the society and will not be entitled for dividend from the society.

5.9 Nominal members cannot contest in election for the membership of Managing Committee.

5.10 Every Nominal member shall have the right to receive facilities which may be beneficial for them on mutually decided terms and conditions decided by the Managing Committee.

6.0 Expulsion of members

6.1 A member of the society may be expelled by a resolution passed by three fourth majority of the members entitled to vote from among those who are present at a General Meeting for the following reasons:

6.1.1 If he is a persistent defaulter

6.1.2 If he wilfully deceives the society by making false statements

6.1.3 If he intentionally does any act likely to injure the reputation of the society

6.1.4 If he persistently dishonours the suggestions and resolutions of the Managing Committee

6.1.5 If he has a buffalo or cow in milk and sells milk to some other party or if he deals in sale and purchase of milk and milk products.

6.1.6 If he ceases to possess any of the qualifications for becoming a member.

But before expelling a member he shall be given an opportunity to present his case before the General Meeting and the resolution of the General Meeting should meet with the approval as per the provision of the State Cooperative Societies Act.

6.2 The membership of a person shall be treated as discontinued or he ceases to be a member on any one of the following reasons, but the concerned member or his nominee shall be informed of this decision within 15 days.

- On death
- By resignation, if his resignation is accepted by the Managing Committee
- If all shares belonging to him are transferred to another member.
- If he is expelled from the society as per Bye-law No. 6.1
- If he is removed according to the provisions of the State Cooperative Societies Act or by any statutory order of competent authority or court.

- 6.2.1 When a person ceases to be a member, the society shall refund all his dues including share capital within six months, except in the case of expulsion. However, the outgoing member must completely repay his dues/advances to society before getting any refund from society.
- 6.3 Application for share shall be made in writing and shall be disposed off by the Managing Committee.
- 6.4 Share certificate/s having separate serial numbers shall be issued to every shareholder. Duplicate share certificate/s shall be issued in the event of loss or damage of the share Certificate with the approval of the Managing Committee on the payment of Rs./- per share against an indemnity bond on appropriate non judicial stamp to be furnished by the members.
- 6.5 If a shareholder fails to pay the share amount/instalment of it as decided by the Managing Committee within 30 days, such share/s shall be forfeited as may be decided by the Managing Committee and the share amount of such forfeited share/s shall be credited to the reserve fund. However before forfeiting such shares, the shareholder shall be intimated in writing, 15 days in advance.
- 6.6 A member after holding share/s for one year (or as decided by the State/ U.T.) with the approval of the Managing Committee can transfer his share/s to another in the prescribed form showing the acceptance of the buyer of the share/s. Share transfer shall not be completed unless a transfer fee of per share is paid to the society by the transferor and an entry is made in the share transfer register.
- 6.7 Share/s of members expelled as per Bye-law no. 6.1 shall be forfeited by a resolution of the General Meeting.
- 6.8 A member is entitled to receive back the amount worth the value of his share/s after completion of one year of his possession of the share/s but before making the claim the person shall have to give three months prior notice to the society. However, the total amount of such refundable share capital shall not exceed one tenth of the total paid up share capital as shown on 31st March of the previous financial year.
- 6.9 Any member of the society can nominate any person except an employee or officer of the society authorizing him to receive his face value of share, interest and other dues from the society after his death. No fee shall be charged for the first such nomination, but thereafter for any transfer or change of nomination a fee of ----- shall be charged. Such nomination paper shall be signed by him in the presence of two witnesses.

- 6.10 On the death of any member the amount standing to his credit by way of share capital or others subject to deductions of account of his liabilities shall be paid to his heir nominated by him or in the absence of such nomination to any other person who according to the Managing Committee is entitled to receive the amount as heir or legal representative of the deceased member on his executing a deed of indemnity to the society.

7.0 General Meetings

- 7.1 The General Meeting of the society shall exercise all the powers subject to the State Cooperative Act, Rules and Bye-laws. The first General Meeting of the society shall have the same powers as are herein given to the Annual General Meeting.
- 7.2 The Annual General Meeting shall be held within a period of six months after the end of the financial year. Its function shall be as under:
- 7.2.1 To elect the Chairman of the meeting and to confirm the minutes of the last General Meeting.
- 7.2.2 To receive from the Managing Committee a report on the working of the society for the preceding year together with the statements of trading account, profit and loss account and balance sheet for the year and to sanction the appropriation and distribution of profit.
- 7.2.3 To declare the names of the Managing Committee members who are elected as per election rules of the society.
- Note: This will not apply to the first General Meeting as the Managing Committee shall be elected by the same.
- 7.2.4 To appoint Internal Auditor and to sanction the budget for the next year.
- 7.2.5 To consider and take necessary decision on the Audit Memo and other correspondence received from the Registrar, respective milk union/ cooperative bank/ other relevant cooperatives.
- 7.2.6 To fix the limit of funds to be raised under Bye-laws 4.0
- 7.2.7 To make necessary arrangements for the collection of milk and transport of the same according to the instructions of the Union.
- 7.2.8 To make necessary amendments, additions, alterations, deletions, etc. in the Bye-laws and the rules of the society.
- 7.2.9 To dispose off any other work proposed reasonably.

The proceedings of the General Meeting shall be recorded in the minute book of the General Meeting by the Secretary of the society.

- 7.3 A Special General Meeting of the members may be convened at any time by a majority of the Managing Committee or on receipt of a requisition from one-fifth or 50 members whichever is less or from the direction of the Registrar or on the requisition of the Board of Directors of the respective Milk Union. It shall be the duty of the Chairman of the society to call such a meeting within a month on receipt of such a requisition.
- 7.4 In case of the Annual General Meeting, 14 day notice and in case of special General Meeting, 7 day notice shall be given (or as decided by the State/ U.T.) by publication of a written notice outside the office of the society and other conspicuous places that may be convenient within the jurisdiction of the society. The notice shall specify the date, time and place fixed for holding the meeting and shall state the nature of the business to be transacted at the meeting.
- 7.5 With the permission of the two-thirds of those present at the General Meeting any member may bring forward a proposal regarding any matter not specified in the agenda of the meeting provided he may not propose the expulsion of another member or any amendment in the Bye-laws.
- 7.6 Two fifth of the total members or 25 members whichever is less shall form a quorum at the General Meeting. If on the day of the General Meeting, there is no quorum the meeting shall be held on any other day and at the time notified. If on the day to which the meeting is adjourned no quorum is obtained after waiting for 30 minutes, the business shall be disposed off without a quorum. The notice for the adjourned meeting shall be published on the notice board outside the office of the society specifying the date, place and time. If on the day of the General Meeting all business is not completed, the remaining business may be adjourned to another day.
- 7.7 At all General Meetings, the Chairman of the meeting shall be elected by the members from among the members present.
- 7.8 Each member shall have one vote. Proxies shall not be allowed. The Chairman shall have a casting vote in case of tie on any point.
- 7.9 No resolution passed in any General Meeting can be put for change or cancellation within six months (or as decided by the State/ U.T.) from the date of the resolution. But if two thirds of the members of the Managing Committee are of the opinion that a particular resolution required to be changed/ altered in the interest of the society and if the Registrar agrees to such a change the Managing Committee may call a Special General Meeting within six months for carrying out such work.

8.0 Managing Committee

- 8.1 The elected Managing Committee of the society shall be of ----- members for a period of five years (or as decided by the State/ U.T.) according to schedule 'B' of the Bye-laws of the society.
- 8.2 Proper representation in the Managing Committee should be given to Scheduled Castes/Scheduled Tribes/Women and small and marginal farmer members of the society as per provision of the State Cooperative Societies Act.
- 8.3 The Managing Committee may decide to induct/co-opt a maximum of two professional members having experience and expertise in the field of dairy, agriculture and allied activities, banking, cooperation, management, legal, information technology etc. in the Managing Committee for proper guidance and advice. The professional members shall be the members of the Managing Committee and such members shall be excluded for the purpose of counting the total number of Managing Committee members specified in the Act. The professional members shall have no voting right.
- 8.4 The Managing Committee may constitute sub-committees such as Village Committee, Finance and Audit Committee, Recruitment/ Selection/ Appointment Committee, Youth/ Women Committee, Business/Trade Promotion and Entrepreneurship/Industrialization committee, Sustainable/Community Development Committee etc., as per the business activities and requirements of the Society and also determine their powers and functions. The fee and allowances to be paid to the members of the committee shall be such as may be determined by the Managing Committee. All the decisions/resolutions taken in the sub-committee are suggestive/recommendatory in nature and will be acted upon after approval in the Managing Committee meeting.
- 8.5 In the conduct of the affairs of the society, the Managing Committee shall exercise the prudence and due diligence and shall be responsible for any loss sustained through acts contrary to the law, the Bye-laws and the stated objects of the society.
- 8.6 The presence of more than one half of the members of the Managing Committee shall form a quorum.
- 8.7 The members having the following qualifications shall only be eligible for election or can continue as a member of the Managing Committee.
 - 8.7.1 If he is not in default to the society in respect of any overdues from him.

- 8.7.2 If he has no direct or indirect interest in the current agreement with the society or the property purchased or sold by the society or in any other dealings with the society (except the investment made by him in the society).
- 8.7.3 If he is not disqualified by any legal procedure and is not convicted for any misappropriation of money or mismanagement in this society or any other institution.
- 8.7.4 If he is not found liable for any offences of this society or any other society under the provisions of the State Cooperative Societies Act.
- 8.7.5 If he is not a paid employee of this or any other society and is not a blood relative of any of the paid employees of the society according to the provisions of the State Cooperative Societies Act.
- 8.7.6 If he or any member of his family does not carry on any business of the kind carried on by this society (including contract or sub-contract) nor has any partnership interest in such concerns.
- 8.7.7 If he has a buffalo or cow and has sold the milk only through the society.
- 8.7.8 If no legal steps have been taken against him by the society to collect dues of the society from him during the last three financial years.
- 8.7.9 If he has not performed duty as a paid employee of the society for the last three financial years.
- 8.7.10 If he has supplied milk to the society for ____ days and ____ litres/Kg in a previous financial year.
- 8.7.11 If he does not have any of those disqualifications which are fixed as per the rules of the election.
- 8.8 Any member of the Managing Committee automatically ceases to be a member of the Managing Committee for the following reasons:
 - 8.8.1 By submitting his resignation and getting it approved by the Managing Committee.
 - 8.8.2 When he ceases to be a member of the society due to death or any other reason.
 - 8.8.3 When he ceases to possess any required qualifications as a member of the Managing Committee.
 - 8.8.4 When he remains absent in the Managing Committee meeting for three consecutive times.

The Managing Committee shall have to take note of it in its meeting and this resolution shall be effective from the date on which such note is taken. It will be the duty of the committee to inform the member about the details of this resolution. Such information will be considered as valid even when it is displayed on the notice board of the society.

- 8.9 The Managing Committee shall elect a Chairman amongst its members for a period of five years (or as decided by the State/ U.T.), within 10 days after election.
- 8.10 Chairman will preside over the meetings of the Committee when he is present. In the absence of the Chairman, the members present shall elect another member as the Chairman for the meeting.
- 8.11 The committee shall take decision by a vote of majority. When there is a tie over any subject, Chairman of the meeting shall have a casting vote in addition to his usual vote.
- 8.12 The committee shall meet as many times as necessary to transact the business but it shall meet at least once in a month. (If possible, the week and day of the month will be decided in the previous meeting so that all members know about it in advance).
- 8.13 No member shall remain present and vote on any matter in which he has personal interest but if any decision is to be taken against his interests, he shall be given an opportunity to explain.
- 8.14 Vacancies if any in the elected Managing Committee will be filled by nominations by the committee out of the same class of members in respect of which the casual vacancy has arisen, in case, the term of the Managing Committee remains less than half of its original term, else elections shall be conducted for the vacant seat.
- 8.15 All acts done by the Managing Committee or by any other person acting as member of the Managing Committee shall notwithstanding that it is afterwards discovered that there was some defect in the appointment of such committee or person, be considered as valid as if the committee or such person has been duly appointed.
- 8.16 All the decisions of the Managing Committee shall be recorded in the separate minute book along with the proceedings of the meeting and the signatures of the members present.
- 8.17 If the Registrar finds serious mismanagement in the society, he shall suspend the Managing Committee and appoint an administrator after giving opportunity to be heard as per the Act, Rules & Regulations.

8.18 The duties, rights and responsibilities of the Managing Committee, over and above those mentioned already in the Bye-laws will be as under:

- 8.18.1 To confirm the minutes of the previous meeting.
- 8.18.2 To dispose off the applications for membership, resignations, demand for shares, transfer of shares and refund of shares and to take necessary steps to recover the unpaid instalments of shares.
- 8.18.3 To raise necessary funds for the working of the society and to decide the conditions to receive deposits and to invest the excess of funds of the society according to the provisions of the State Cooperative Societies Act.
- 8.18.4 To open necessary accounts, in the name of the society and to delegate necessary powers to transact money.
- 8.18.5 To obtain necessary statutory registrations such as PAN, GST, FSSAI, and others in the name of the society, and to delegate powers for related application and signing on behalf of society.
- 8.18.6 To depute representatives to the Cooperative institutions to which the society is affiliated as and when required.
- 8.18.7 To verify the member register, books of accounts and other registers and to take necessary actions to have these written or computerized/digitalized and maintained systematically and completely.
- 8.18.8 To inspect the accounts of the society, to verify the cash physically and to authorize the Chairman or any other member of the committee to sign the cash book regularly. To decide the maximum limit of cash to be kept in hand by the secretary.
- 8.18.9 To decide date, time, place and agenda of the General Meeting; to make necessary arrangements to call Special General Meeting according to provisions of the State Cooperative Societies Act and to see that Annual General Meeting is held in the prescribed time limit.
- 8.18.10 To file claims, protect, defend and compromise legal suits and hear other complaints and dispose them off.
- 8.18.11 To hire buildings and/or godowns for the office of the society and/or for storing or selling goods. For building or purchasing immovable assets, prior approval of both the General Meeting and the Cooperative Department are to be obtained.

- 8.18.12 To prepare Annual Report and accounts in time and to authorize the Chairman of the committee to publish them and to recommend the distribution of profits to the Annual General Meeting.
- 8.18.13 To frame administrative rules not contrary to the Cooperative Act, Rules and Bye-laws and resolutions of the General Meeting for the efficient working of the society. Such administrative rules should be recorded in the minute book of the Managing Committee and shall come into force only after getting the approval of the General Meeting.
- 8.18.14 To furnish in time all statements and other necessary information asked by the Cooperative Department/Dairy Department or the Milk Union.
- 8.18.15 To take note of the Audit Report of the society and arrange to execute the instructions given in the audit reports. To rectify the defects shown in the Audit Reports and to send Compliance Report within a month after receiving the same. This report along with compliances will be presented for approval in the next General Meeting. To furnish necessary facilities, information and statements to auditors and other officers of the Audit Department, bank and authorized officers of the Milk Union.
- 8.18.16 To recommend to the General Meeting, the amendments, alterations and rescinding of the Bye-laws and rules of the society.
- 8.18.17 To demand from the Secretary of the Society, the monthly statement of accounts of the society such as trading account, profit and loss accounts, stock of goods, etc. for inspection and approval and to approve the expenditure within the limit of the budget provisions approved by the General Meeting.
- 8.18.18 To fix specific responsibilities for records, equipment, stock of goods, etc. of the society.
- 8.18.19 To take necessary insurance policy for the properties of the society and against the loss of cash and other commodities.
- 8.18.20 To arrange the purchase/sale of milk, ghee, cattle feed etc., as per the instructions of the respective Milk Union and to carry out all the instructions of the Union.
- 8.18.21 To take necessary steps to recover any outstanding debt of the society.
- 8.18.22 To take all steps to increase milk production and conduct necessary animal husbandry activities as per the directives of the respective Milk Union.
- 8.18.23 To dispose off the disputes.

- 8.18.24
- a) To appoint the Secretary** of the society and all other paid employees and to relieve them or to dismiss them or take disciplinary actions against them if necessary.
 - b) To fix the pay, conditions of services and qualifications of all paid employees of the society and to fix duties, authority and responsibilities of all the employees.
 - c) To frame staff provident fund rules for the employees of the Society and to execute them after approval of the General Meeting and the Cooperative Department.

** In case of VCS associated with the multi-state cooperatives promoted by NDDB/GCMMF, the Secretary shall be appointed in consultation with NDDB/GCMMF (as the case may be) for a period of three years post the formation of the VCS.

- 8.18.25 The Managing Committee can appoint or can allow any person having the following qualifications to continue as an employee of the society over and above the conditions mentioned elsewhere in the Bye-laws of the society.

- a) If he is not dealing in any business or contract independently or in partnership which is related to the objectives of the society, such as milk and milk products, cattle feed, transport of milk etc and is not a shareholder of the society.
- b) If he is not holding any position as a paid employee or any other honorary position in any local institution or any other society.
- c) If he is not found convicted for moral turpitude.
- d) If he is not found guilty for misappropriation, malpractice and mismanagement in this or any other society or institution.
- e) If he is not found violating any provision stated in the provision of the State Cooperative Societies Act.

If the employee of the society is found not observing the above conditions at any time during his service, the Managing Committee shall terminate his services immediately.

- 8.18.26 The Managing Committee may invest money within the limit of provisions of the State Cooperative Societies Act, but if such investment is to be made in land and building, it cannot be done without the prior approval of the General Meeting and Registrar.

- 8.18.27 To consider inspection, supervision, and visit reports and to take necessary actions for the same.

- 8.18.28 To give access to the documents & records of the society and provide information and documents if asked by respective milk union/ cooperatives, statutory body and make necessary arrangement for it in specified time limit.
- 8.18.29 To take corrective / remedial actions when any irregularities come into knowledge of Managing Committee and if necessary, take actions defined by appropriate law.

9.0 Chairman/Secretary

9.1 The duties of the Chairman over and above those mentioned already in the Bye-laws, will be as under:

- 9.1.1 To execute through the Secretary the resolutions passed by the Managing Committee and the General Meeting.
- 9.1.2 To supervise the daily routine work of the Secretary.
- 9.1.3 To see that the surplus amount exceeding the limit as specified in the Bye-laws is deposited in the bank and cash is not withdrawn from the bank more than necessary.
- 9.1.4 To verify or get verified the stock of goods, equipment, dead stock, etc., at least once in three months and to take note of having done the same in the Managing Committee by a resolution.
- 9.1.5 To see the work of the society is conducted according to the State Cooperative Societies Act/ Rules and Bye-laws of the society.
- 9.1.6 To take necessary actions immediately to rectify the objections mentioned in audit reports, inspection memos and visit notes.
- 9.1.7 To arrange to furnish all the details and information asked for by the Cooperative Department/Dairy Department the Bank and the respective Milk Union.
- 9.1.8 To dispose off the complaints wherever possible and to place such complaints before the Managing Committee with his findings.

9.2 Duties and responsibilities of the Secretary over and above those mentioned already in the Bye-laws, will be as follows:

- 9.2.1 To call meetings of the general meeting, Managing Committee according to the instructions of the Chairman and to remain present at these meetings and to record the proceedings of such meetings in separate minute books.
- 9.2.2 To spend, withdraw and recover money according to the instructions of the Managing Committee with prior approval.

- 9.2.3 To receive all communications addressed to the society and to draw the attention of the Managing Committee on any important matter.
 - 9.2.4 To prepare all receipts, vouchers, annual reports, trading and profit/loss account, balance sheet and other necessary statements for the society, and to furnish in time the required information, records, etc., to the Cooperative Department/Dairy Department, the Bank and the respective Milk Union.
 - 9.2.5 To do all the necessary correspondence pertaining to the routine administration of the society and to furnish all the required information to members and to correspond with the prior approval of Chairman in special matters.
 - 9.2.6 To place before the Managing Committee without delay, the Audit reports and to rectify immediately the discrepancies shown in the report and submit the same to the Auditor within one month after getting it approved by the Managing Committee.
 - 9.2.7 To guide the other employees of the society and to supervise and control their work and to inform the Managing Committee regarding their work and to fix up their duties and responsibilities in consultation with the Managing Committee.
 - 9.2.8 To write or to get written the cash book and other books of account of the society regularly.
 - 9.2.9 To withdraw money for the milk purchase and to collect every day the sale proceeds of local sale of milk and other sales from the concerned persons of the society.
 - 9.2.10 To produce for approval, monthly trading, profit/loss account and other statements of sale/purchase etc. before the Managing Committee.
 - 9.2.11 To deposit the surplus cash in the Bank.
 - 9.2.12 To take necessary steps, subject to the Bye-laws for increasing the business of the society in consultation with the Chairman.
 - 9.2.13 To see that the dues of the society are regularly recovered and if it is not possible, to prepare required statements for legal action in consultation with the Managing Committee.
 - 9.2.14 To do all other works as directed by the Chairman and the Managing Committee.
- 9.3** In the absence of the Secretary, Managing Committee can authorize any other person to attend the work of the Secretary, if such authority is

not given by the Managing Committee, the next senior most staff will be responsible for the secretarial work.

10.0 Distribution of Profit

10.1 The gross profit of the previous year shall be declared in the Annual General Meeting and the following deductions shall be made from it.

- a) Interest payable on loans and deposits
- b) Working expenses of the society
- c) Losses
- d) Depreciation on building and other assets
- e) Bad debts sanctioned by the Managing Committee and approved by the Registrar
- f) Contribution if any, to staff Provident Fund and Staff Gratuity

10.2 The balance remaining after these deductions shall be treated as net profit. The net profit shall be disbursed as envisaged in the State Cooperative Societies Act.

10.2.1 All admission fees, fines, shares, share transfer fees, forfeited amount of share capital and donations shall be carried over to the Reserve Fund.

11.0 Miscellaneous

11.1 Accounts and records shall be maintained in the forms prescribed by the Registrar with such additions and alterations as the Managing Committee thinks necessary.

11.2 The Chairman or one member of the Managing Committee and the Secretary as may be authorized by the Managing Committee have the power jointly to execute documents, grant receipt, sign share certificates, make transactions with the bank and sign cash book on behalf of the society, while all the receipts issued by the society shall be signed by the person authorized by the Managing Committee.

11.3 Any member of the society may inspect any of the registers or records during office hours so far it relates to his own business transactions as shown in the provisions of the State Cooperative Societies Act. The Managing Committee shall decide the office hours of the society.

11.4 Before 30th of June every year, the Managing Committee will prepare statements showing the trading accounts, profit/loss account, balance sheet and the report of previous year.

- 11.5 The notice which is to be served to any member shall be considered as properly served only when it is sent to the last known address of the member by registered post/Speed Post/Hand delivered.
- 11.6 Subject to the State Cooperative Societies Act and Rules framed by the State Government, Bye-laws can be amended provided a notice of the amendment has been given to all the members at least fourteen days prior to the General Meeting and a consent of the Milk Union to which the society is affiliated is obtained. Amendments shall come into effect only after they are registered by the Registrar.
- 11.7 The society shall be affiliated to the District Cooperative Union, District Central Cooperative Bank and District Cooperative Milk Producers' Union and such other institutions which are useful to promote the objectives of the society.
- 11.8 Bye-laws of the respective Milk Union shall prevail in case of any absence of provision or inconsistency subject to provisions of the State Cooperative Act and Rules.

Signature of more thanpromoters of different families.

- | | |
|----|-----|
| 1. | 7. |
| 2. | 8. |
| 3. | 9. |
| 4. | 10. |
| 5. | 11. |
| 6. | 12. |

Approved

Registrar
Cooperative Societies

SCHEDULE "A"

(See Bye-law No. 5.1.4)

Application for the membership of The Multipurpose Village/
Dairy Cooperative Society Ltd.

Chairman/Secretary
TheMultipurpose Village/ Dairy
Cooperative Society Ltd.

Date :

Place :.....

Dear Sir/Madam,

I desire to be the member of the society. I have read the Bye-laws of the society and I hereby undertake to abide by them. Herewith I am presenting Rs. _____ as entrance fee and Rs _____ as a value of ---- shares (total Rs _____).

Other necessary details pertaining to me are given below. I request you to enrol me as a member of the society.

Full name (with surname):

Age :

Address:

Profession :

Email id:

No. of cows/buffaloes :

Present milk production (in litres/Kg) :

Morning :

Evening :

I assure that I undertake to sell milk only to the society and not to any other person till I remain a member of the society.

I assure that the above given details are proper and correct. I hereby nominate Shri/Smt my son/daughter/wife as my legal heir.

Signature of the Witness

Signature of the Applicant

This application is approved by the Managing Committee vide resolution no.

Signature of the Secretary

SCHEDULE “B”

TheMultipurpose Village/Dairy Cooperative Society Ltd.

Election Rules as per the Bye-laws:

- 1.0 These rules shall be called the election rule for the Managing Committee of “The..... Multipurpose Village/ Dairy Cooperative Society Ltd.”

This shall come into force from the date of approval by the Cooperative Department. The first election of the Managing Committee shall be conducted in the first General Meeting of the society after its registration. The members present in the meeting only are eligible to get elected into the Managing Committee. For subsequent election the Election Rules will be as under:

- 2.0 If it has not been made clear about these terms elsewhere:

- i) ‘Act’ means the State Cooperative Societies Act
- ii) ‘Rules’ means the rules made under the Cooperative Societies Act.
- iii) ‘Bye-laws’ means the Bye-laws which are in force with additions and amendments of “The..... Multipurpose Village/ Dairy Cooperative Society Ltd.”
- iv) ‘Election Officer’ means the officer appointed by the Managing Committee for the election purposes.
- v) ‘Assistant Election Officer’ means the person who is appointed by the Election Officer to assist him in the work relating to election from the staff members of the society or any other person who is not a member of the society.
- vi) ‘Voter’ means a member who is qualified to vote as per Bye-laws as on 31st March.
- vii) ‘Society’ means “The Multipurpose Village/ Dairy Cooperative Society Ltd.”.

- 3.0 Notification of Election Roll:

- i) The Secretary shall prepare a provisional list of existing members from the register of members as on 31st March (or as decided by the State/ U.T.) who are qualified to be members and he will display the list on the Notice Board of the society with his signature within the time limit of election schedule prescribed by the Managing Committee.

- ii) If any member has any objection to the details given in the above provisional list, the same may be conveyed to the Secretary in writing in prescribed time limit.
- iii) The Election Officer after scrutinising the objections shall arrive at proper decision and shall display a final list of voters on the notice board of the society in the prescribed time limit of election schedule as decided by the Managing Committee.
- iv) The persons whose names are included in this final electoral roll shall be entitled to contest, get elected as members of the Managing Committee of the society, vote in the election, put proposals and second the proposal subject to the conditions mentioned in sub-section (v) given below:
- v) Over and above the qualifications contained in the society's Bye-laws, no member will be eligible to contest for the Managing Committee membership, if any member has:
 - a) Any dues of the society recovered by arbitration during the last three financial years.
 - b) Any amount overdue since last three years and is a debtor.
 - c) Engaged in any business similar to that of the Society personally or through any family member of his joint family, independently or in partnership.
 - d) Near relative to any paid employee of the society.
 - e) Supplied milk for less than days and litres/Kgs of milk to the society during the last financial year.
 - f) Supplied milk to any other agency other than the society.
 - g) Not been a member of the society continuously for the entire financial year preceding the year of election.

4.0 Declaration of Vacancies

Vacancies if any in the elected Managing Committee will be filled by nominations by the managing committee out of the same class of members in respect of which the casual vacancy has arisen, in case, the term of the Managing Committee remains less than half of its original term, else elections shall be conducted for the vacant seat.

5.0 Fill up the nomination form

- i. According to the time schedule of the election programme decided by the Managing Committee, the nomination forms in form 'A' shall be

received and acknowledged by the election officer at the office of the society.

- ii. A voter may file his nomination for a vacancy on the Managing Committee.
- iii. A voter may propose only one candidate for the Managing Committee and shall be allowed to second only one.
- iv. After taking acknowledgement, the nomination forms shall be supplied free from the office of the society during the working hours. However, no member would be supplied with more than one nomination form.
- v. Nomination form shall have to be filled up separately by all the candidates and it should be neat and clear.
- vi. As per the election schedule fixed by the Managing Committee, the Election officer shall verify the nomination forms in the presence of the candidates and he shall consider the objections received in this respect or he himself shall approve or disapprove the nomination forms. The reasons for not approving the nomination forms shall be recorded on the forms. The nomination forms can be disapproved only subject to the Cooperative Act/Rules and society's Bye-laws and the reasons furnished in the election rules of the society.
- vii. The list of candidates prepared out of the approved nomination forms shall be duly signed by the Election Officer and published on the same day on the Notice Board of the society.
- viii. If any candidate desires to withdraw his nomination form, he may withdraw the same by giving written information to this effect to the election officer on or before the date prescribed for the same in the election schedule fixed by the Managing Committee.
- ix. In this manner, if any nomination form is withdrawn, a final list of the remaining candidates shall be prepared by the Election Officer duly signed by him and shall be published as per election schedule on the notice board of society.
- x. If the number of candidates is equal to the number of vacant seats declared by the Managing Committee, these candidates shall be declared elected uncontested by the Election Officer and this may be notified in the Annual General Meeting of the society and also notified on the notice board of the society on the same day of the result.
- xi. If the number of candidates is more than the number of seats declared open for election, the election will be conducted and symbol to each candidate shall be allotted by the Election Officer.

- xii. In case the number of nomination forms received fall short of the number of vacant seats, seats lying vacant shall be filled by cooption out of the same class of members in respect of which the vacancy has arisen, in the first Managing Committee meeting thereafter, for the full term.

6.0 Voting

- i. If election is to be conducted, voting shall be at the place and time fixed by the Managing Committee as per schedule of the election.
- ii. Voting shall be exercised in the prescribed form 'B'. The names of candidates in the ballot paper shall be arranged alphabetically (without surname).
- iii. Every voter shall be entitled to franchise his vote to the extent of the number of vacant seats of Managing Committee. However, he shall not exercise more than one vote to a single candidate.
- iv. Voting shall be exercised by marking a cross in the column shown against the name and symbol of each candidate.
- v. Voting shall be carried out by secret ballot system and the Election Officer shall arrange for the same.
- vi. In the presence of the candidates, the ballot boxes shall be sealed before fifteen minutes of the commencement of actual voting and the same shall be kept in the possession of the Election Officer.
- vii. The ballot paper with the cross marked secretly in the election booth, shall be dropped in the ballot box in the presence of the Election Officer.
- viii. During the period of voting, nobody shall be allowed to canvass in an area around 100 yards from the election centre.
- ix. At the election centre if any voter due to his physical inability is unable to exercise his vote, the Election Officer shall help him.

7.0 Counting of Votes

- i. Immediately on completion of voting, the counting of votes shall be carried out in the presence of the candidates, if they are present and immediately on completion of the counting, results shall be declared. Those who have secured more votes shall be declared as elected.
- ii. The result, duly signed by the Election Officer shall be declared on the same day and shall be displayed on the notice board of the society. In the annual general meeting also, this result shall be announced and the same shall be recorded in the proceeding book of the meeting.

iii. The election officer may reject the ballot papers only under the following condition:

- a) If a candidate is given more than one vote.
- b) When the cross mark is not clear to decide to whom the vote is casted.
- c) If the ballot paper is tampered with.
- d) If the number of candidates for whom the votes were exercised is not equal to the number of candidates to be elected.

However, the Election Officer should show reason for the rejection of such votes with his signature on the ballot paper.

- iv. In case, any two of the candidates have secured equal number of votes, the Election Officer in the presence of both the candidates shall draw a lot and thus declare the name of the elected candidate.
- v. If any candidate desires recounting, he shall apply to the Election Officer in writing immediately after completion of the first counting.
- vi. Immediately on receipt of such application, the Election Officer shall recount the votes and declare the result on the same pattern as above.

Miscellaneous

- i. On completion of the counting of votes and after declaration of the result, all the documents pertaining to the election shall be kept in the ballot box and sealed by the Election Officer. The sealed ballot box shall be kept in a safe place under the supervision of the secretary.
- ii. In case of dispute in connection with the election procedures, a voter may ask for arbitration under the provisions of the Cooperative Societies Act.
- iii. If a voter has gone for arbitration, after two months after the settlement of the same, and if no voter has gone for the arbitration, within two months after the declaration of the result of election, the documents of election shall be destroyed by the secretary in the presence of the Chairman of the Society.
- iv. The election schedule showing the date and time shall be decided by the Managing Committee. The election schedule and changes (if any) may be displayed on the notice board of the society duly signed by the Election Officer.
- v. In case of any dispute in the interpretation of these rules, then decision of the Registrar, Cooperative Societies shall be the final.

FORM "A"

The Multipurpose Village/ Dairy Cooperative Society Ltd.

For the Nomination of the
Election of Managing Committee

The Election Officer
Cooperative Society Ltd.
At.....

- | | | |
|---|---|---|
| 1. Full name of the candidate | : | |
| 2. Sr. No. of the candidate in the electoral roll | : | |
| 3. Seat for which he is contesting | : | Member of the
Managing Committee |
| 4. Full name of the proposer | : | |
| 5. Sr. No. in the electoral roll of the person who has proposed | : | Signature of the
person who has proposed |
| 6. Name of the Seconder (Full) | : | |
| 7. Sr. No. in the electoral roll of the person who has seconded | : | Signature of the
person who has seconded |

The details furnished above are correct. If I contest and get elected, I shall work as a member of the Managing Committee and accept the responsibilities of the same.

Date :	Signature of the candidate
--------	-------------------------------

This nomination form is received today (date)
(month/year)

Signature of the
Election Officer

.....
RECEIPT

Sr. No.

Received from Shrithe form for nomination as a member of the Managing Committee.

Signature of the Election Officer

FORM 'B'

The Multipurpose Village/ Dairy Cooperative Society Ltd.

Sr. No. of the voter :

Signature or thumb impression of the voter.

.....

The Multipurpose Village/ Dairy Cooperative Society Ltd.

BALLOT PAPER

.....
Sr. Name of the
No. Candidates

.....
Symbol of
Candidate

.....
Space for
Putting cross

.....

1.

.....

2.

.....

3.

.....

4.

.....

5.

.....

FORM 'C'

Application for registration of the society
(Form as per rule-3)

To
The Registrar
Cooperative Societies
At

Dear Sir,

We the undersigned, whose names and address are mentioned below are desirous of being formed into a Multipurpose Village/ Dairy Cooperative Society with limited liability and we hereby make an application as per provision for registration under the State Cooperative Societies Act. We are enclosing herewith four copies of the proposed Bye-laws accepted and duly signed by us.

The detailed particulars regarding the proposed society are as under:

1. Name of the Proposed society : _____
2. Address to be registered : _____
(including the nearest Post Office)
3. Is liability limited or unlimited : Limited
4. Area of operation : _____
5. Objective of the society : As per the Bye-laws
6. State whether the application belong to different families and whether they have relations with each other such as wife-husband, father-mother, grandfather-grandmother, stepfather-stepmother, son-daughter, step-son, step-daughter, grand-son, grand-daughter, brother-sister, brother's wife, wife's brother.
7. If the capital is to be raised by shares, state the value and the number of shares to be issued, along with list of shares subscribed and paid-up amount for that.
8. State the total amount of share capital collected and the amount deposited in a bank or its branch and state whether the bank balance certificate are enclosed with the application.
9. State details of the preliminary expenditure incurred by the promoters up to the date of application and also the estimate of expenditure likely to be incurred by them for getting the society registered.
10. State the name of the chief promoter and his address to which the correspondence is to be directed.
11. State the language in which the books and accounts will be maintained by the society.

FORM 'D'

Sr. No.	Name of the Promoters	Age (Years)	Profession	Relation with promoters	Address	Promoters Signature

Signature
(Registrar Coop. Societies)

Place:

Place:

Date:

Date: