

**BYE LAWS
OF
THE DELHI STATE CONSUMERS CO- OPERATIVE FEDERATION LTD.
NEW DELHI**

1. PRELIMINARY

1. The name of the federation shall be THE DELHI STATE CONSUMERS CO – OPERATIVE FEDERATION LIMITED, and its registered address shall be G – 184, Basement, Hari Nagar, (Behind Dena bank) New Delhi – 110064. The area of operation of the Federation shall be the whole of the union territory of Delhi.

Any change in the address shall be notified to the Registrar within 14 days.

2. In these bye- Laws, unless there is anything repugnant to the subject or context (i) the expression " the act" means the Delhi state cooperative Societies act 1972 and (ii) words and expressions defined in the Act and used in these bye- laws shall have the meanings assigned to them in the Act.

3. The object of the federation shall be to assist and guide, its member institutions as per the principles of cooperation and to act as the spokesman of the consumer cooperatives in the union territory of Delhi, as the apex organization. In furtherance of the same, the federation may undertake one or more of the following activities.


3.1 To establish trade connections both in wholesale and retail business for the benefit of its member societies

3.2 To arrange for the purchase & sale of consumer goods including customs confiscated goods, stationery and other office use goods, groceries, textiles, foodgrains, cereals, edible oil, liquor, beverages, machinery tools etc.

3.2 Creation of funds to carry out its objects.

3.3 To undertake import & export of goods for development of commercial activities.

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- 3.4 To undertake & encourage manufacturing, processing & other activities to promote development of consumer products.
- 3.5 To purchase or take on mortgage, or on lease buildings, godowns, shop sheds, etc. for its use.
- 3.6 To establish trade connections with manufactures, selling agencies, offices, distribution agents, other cooperative organizations & artisans, central & state governments & public bodies.
- 3.7 To arrange for the storage of the products of the Federation & its member societies if so necessary.
- 3.8 To establish commercial & information bureau for the benefit of member societies.
- 3.9 To carry on the research on markets, raw materials, consumer & industrial products to maintain standardization.
- 3.10 To organize & establish laboratories and factories for producing consumer goods.
- 3.11 To undertake bulk institutional supply of consumer goods to the cooperatives, Govt. agencies and Govt. Departments in Delhi and other states as per their requirements.
- 3.12 To collaborate with any national federation like NCCF, NAFED and state level Federations to develop trade in consumer goods as also institutional supply.
- 3.13 To obtain membership of organizations like Delhi state cooperative bank, Delhi state cooperative union and NCCF to facilitate development of business and promotional activities of the federation.
- 3.14 To arrange for the processing and sale of consumer, industrial and other products.
- 3.15 To provide expert and technical advice to the member societies and promote commercial and industrial education through demonstrations, publications, exhibition and award of prizes and other activities.



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- 3.16 To obtain from both central and state governments or other sources requisite facilities, assistance and financial aid for itself and its members for increasing production and for improving marketing facilities and cooperative functions.
- 3.17 To purchase or take on hire vehicles, implements and machinery for the use of the Federation and its member societies and arrange for their up-keep and repairs.
- 3.18 To manage and run transport and other utility services.
- 3.19 To enter into contracts with both central & state Governments, Local Bodies, other persons and institutions to carry out the stated objects of the Federation.
- 3.20 To promote consumer, Industrial, Housing and other forms of Co-operation.
- 3.21 To undertake welfare activities for societies, employees and their children, for the promotion of their moral, educational and physical improvements.
- 3.22 To generally help and guide its member societies to improve their working.
- 3.23 To undertake other measures designed to encourage the members, the spirit and practice of thrift, self-help and mutual help in the true spirit of cooperative principles.

III. MEMBERSHIP

4 The members shall consist of: -

- 4.1 The wholesale and primary cooperative societies admitted in accordance with these bye-laws.
- 4.2 Govt. of India.
- 4.3 Govt. of NCT of Delhi.

The Delhi state Cooperative union & Delhi state coop. Bank Ltd. may also be admitted as members of the Federation, on mutually decided terms and conditions.


5 No society shall be member of the Federation unless:

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- 5.1.1 It is duly registered in Delhi State under the Co-operative Societies 'Act in force for the time being.
- 5.1.2 Its written application for membership has been approved by managing committee.
- 5.1.3 It has complied with the provisions of Bye-Laws 12.
- 5.2 Every member shall pay Rs. 100 as admission fee along with application, which shall not be refunded in any case.
- 5.3 When the society's application for membership has been accepted by the managing committee and it paid its admission fee and the share money, it shall be deemed to have acquired all the rights, obligations and liabilities of a member of the federation, as laid in the Co-operative societies Act, Rule made their under and these bye-laws.
- 5.4 The managing committee will dispose of the applications seeking membership of the Federation within a period of 90 days. The managing committee will record the reasons for non admitting a new member.
- 6 Nominal member the individuals, Association of individual trade Partners manufactures, NGOs etc, may be enrolled as nominal member of the Federation by the managing committee, for which the managing committee will formulate its rules.
- 7 A member of the federation may be expelled by a majority vote in the general meeting.
- 7.1 If it fails to maintain minimum balance of share contribution.
- 7.2 If it applies for bankruptcy.
- 7.3 If it is convicted of a criminal offence involving moral turpitude.
- 7.4 If it intentionally does any act which is likely to injure the interest of the federation or fails to observe proper discipline in regard to the work of the federation.
- 7.5 For any action which may be held by the managing committee or a general meeting to be dishonest or contrary to the stated objects of the federation or the interest of co-operation.
- 8 A society shall cease to be a member.
- 8.1 When its resignation is accepted by the managing committee.

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- 8.2 On expulsion under bye-law 6.
- 8.3 Ceasing to hold the minimum number of shares prescribed in these bye-laws.
- 8.4 On withdrawal of share capital after 3 months, with prior notice in writing to the Federation, provided that the member withdrawing does not owe anything to the Federation and is not surety for any unpaid debt. Withdrawal will take effect from the date of decision taken by the managing committee.
- 8.5 On cancellation of its registration.
9. Transfer of shares

9.1 A member may transfer its shares to another member or applicant qualified under bye-laws (4) subject to approval by the managing committee.

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



10 The authorized capital shall be 100 shares of the value of Rs. 1,000/- each.

10.1 The capital shall be composed of the subscribed and paid up capital and.

- 10.1.1 Deposit from members.
- 10.1.2 Loans and Deposits from non-members.
- 10.1.3 Donations and grants.
- 10.1.4 Realized profits.

Provided that the acceptance of deposits and loans from non members shall be subject to provisions of the Act & Rules.

11 . The funds of the federation when not employed in its business, shall be invested or deposited as required under the relevant provisions of the Act & Rules.

V. SHARES

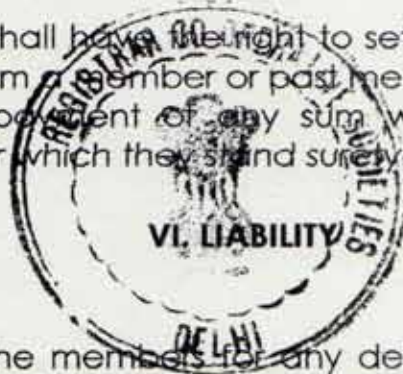
12. Every member shall purchase at least one share (both central and state) may purchase shares of Federation according to their discretion, The Federation may return shares held by the Government at such time and in such manner as

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may be agreed upon between the Federation and the Government. No member other than Government shall hold shares of which the normal value exceeds Rs. 10,000/- or exceed 1/5 of the total share capital actually subscribed, which ever is lower. If any member becomes possessive of more than the maximum holding permitted the managing committee shall have power to withdraw the excess amounts.

13. Value of minimum share shall be deposited in a single payment, along with the application for membership.
14. Shares shall not be withdrawn, or transferred otherwise than as provided in bye-laws.
15. The federation shall have the right to set off any money due on any account from a member or past member or person claiming through them, payment of any sum which they owe to the Federation or for which they stand surety.



16. The liability of the members for any deficit in the assets of the federation on liquidation, shall be limited to equal to the value of their subscribed shares.

VII. GENERAL BODY

17.1

The annual general meeting shall be called within a period of three months after the date fixed for making up its accounts for the year, under rules for the time being in force. A special general meeting may be called at any time by the managing committee, where shall be called by the secretary in consultation with the chairman or on receipt of a requisition from 1/10th of the total number of member or on receipt of orders from the Registrar of co-operative societies or any person authorized by him.

17.2 In case of the annual general meeting the date, time and place or the meeting shall be announced at least 14 days clearly in advance and in case of special general meeting at least 7 days advance written notice will be required, The notices shall be placed on the notice board of the Federation and circulated to the members

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17.3 The presence of at least 1-3rd of the members shall be necessary for disposal of any business at a general meeting, provided that when the total number of member exceeds Ninety, 30 member shall form a quorum. Each member shall have one vote irrespective of the number of shares held by him. The Chairman shall have a casting vote, in case of a tie. No proxies shall be allowed. No representative of a member society shall be allowed to vote who is in arrears in respect of its. Its shares money installment of loans or other dues of the Federation after due notice.

17.4 The President, or in his absence the vice President or in their absence one of the other members elected for the purpose shall preside over the meetings.

18. The Duties powers and functions of the General Body will be as under

18.1 To elect the managing committee. The election shall be held in accordance with the rules framed in this behalf and adopted at a general meeting.

18.2 To suspend or remove members of the managing committee including the President and one or more vice president.

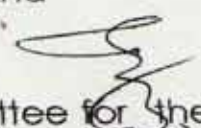
18.3 To receive from the committee a report of the preceeding year's working of the Federation together with a statement showing the receipts and expenditure, assets and Liabilities and profit and loss for the year.

18.4 To consider the audit report, annual report, inspection note of the Registrar, or any other communication from the Registrar.

18.5 To dispose of profit in according with in act, rules and bye- Laws.

18.6 To lay down guidance for the managing committee for the activities to be undertaken by the Federation

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18.7 To determine the nature and extent of the welfare activities to be undertaken by the Federation.

18.8 To fix, the maximum borrowing limit of the Federation .

18.9 To amend bye- laws, subject to the approval of the Registrar.

18.10 To expel member (s).

18.11 To approve the work programme & budget estimates for the following year.

18.12 To consider any other business brought forward as per rules & procedures.

19. All business, discussed & decided at the general meeting shall be recorded in a proceedings book which shall be signed by the chairman of the meeting.

20. Amendments of bye- laws shall only be carried out by a majority of not less than 2-3rd of the members present in a general body meeting, for which due notice of the intention to discuss such amendments has been previously given. Such amendments shall be forwarded to the Registrar for registration within a period of three month from the date of the meeting . All other matters before the general meeting shall be decided by majority votes unless otherwise specified.

VIII. MANAGING COMMITTEE.

21. The Managing Committee shall consist of 5 representations of the members of the Federation over the age of 21 including a President, one vice Presidents, one Secretary, and the treasurer. The managing committee may coopt one economist or a cooperator as a member of the committee. Three member shall form a quorum. The President or the in his absence the vice President or in the absence of both, one of the other members elected for the purpose, shall preside over the meetings.

22. The managing committee shall be elected at the annual general meeting as per provisions of Act & rules for a period of 3 years and shall hold office till its successors are elected.

23. Any vacancy occurring after the election of the Managing Committee by coopting a member possessing the necessary qualifications. The cooption will be valid until the next annual general meeting, in which the vacancy will be filled through election.

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24. A member of the committee shall cease to hold office if he:

24.1 Ceases to be a member of the society which he represents.

24.2 Applies for insolvency or is declared insolvent.

24.3 Becomes of unsound mind.

24.4 If convicted of any offence involving dishonesty or moral turpitude.

24.5 Resigns and his registration is accepted by the committee.

24.6 Does not attend 3 consecutive meetings of the committee without intimation in writing.

24.7 Represents a society which defaults in payments of the dues of Federation, after due notice.

25. Duties and responsibilities of the managing committee.

25.1 The Managing committee shall exercise all powers for day today activities of the Federation except those reserved for the general body, his subject to any regulation or restriction laid down by the federation in a general meeting or in the bye-laws and in particular shall have the following powers and duties:-

25.1.1 Prepare work programme and budget estimates and submit before the general body.

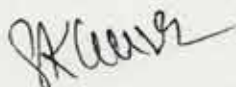
25.1.2 To fix the date of the AGM as per provision of the bye-laws, act and rules.

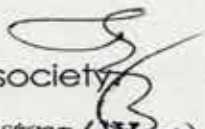
25.1.3 To prepares authenticated annual statements of Assets & liabilities of the Federation and submit the same before to general body.

25.1.4 To maintain true and accurate accounts of all money received / spent and all stock brought or sold.

25.1.5 To keep a register of members.

25.1.6 To keep true account of assets and liabilities of the society.




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25.1.7 To prepare and lay before the general meeting the annual profit and loss account and balance sheet, with the presided time schedule the report of the

25.1.8 To consider the audit report inspection note of the Registrar and take necessary action.

25.1.9 To summon general body meeting

25.1.10 To obtain loans subject to any restriction imposed by the Registrar or general body and meeting.

25.1.11 To decide the terms periods and rates of interest at which deposits are to be received and to arrange for the payment of such deposits.

25.1.12 To assist the inspection of the books by any person authorized to see them

25.1.13 To appoint officer and employees to manage the affairs of the Federation

25.1.14 To fix the remunerations to be paid them and settle terms of appointments

25.1.15 To appoint, punish and dismiss employees.

25.1.16 Authorize any member officer or employee of the Federation or and any other person to, institute conduct, defend, compromise, refer to arbitration or a bandon legal proceedings by or against the Federation concerning the affairs of the federation.

25.1.17 To acquire on behalf of the Federation shares of other registered co-operative societies or the Government.

25.1.18 To arrange for the safe custody of books.

25.1.19 To invest the surplus funds of the federation in according with the provisions of Act & Rules:

25.1.20 To acquire and hold property and to enter into contracts on behalf of the Federation.

25.1.21 To Purchase and sell raw materials, finished, goods tools and equipments and to make necessary arrangement for the same

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25.1.22 To decide the manner of execution of work

25.1.23 To arrange for proper maintenance of the properties of the Federation and where necessary to arrange for there insurance

25.1.24 Take all such actions are necessary to achieve the sale targets & prescribed profit margin to attain economic viability.

25.1.25 In the conduct of the affairs of the Federation the committee shall exercise prudence and diligence observe the notified rules and these bye- laws.

25.1.26 No member of the committee shall receive any remuneration for his work as a member of the committee.

25.1.27 To proceeding of the meeting of the managing committee shall be recorded in the Minutes Book and signed by secretary and the Chairman. These will be in the next meeting of the committee for confirmation.

25.1.28 The committee appoint for amongst its own members one or sub- Committee and may delegate to such committee or to any office of the Federation such of its powers as it may consider desirable for proper conduct of the affairs of the Federation.



25.1.29 Notwithstanding anything contained in these bye-laws.

No person shall be appointed as an officer in any category of service in the Federation unless he possess the basic technical and educational qualification as the may be prescribed by the managing committee.

Except with the previous sanction of the Registrar no relative of any member of the managing committee of the Federation shall be appointed to such office.

IX SECRETARY

26 The power and duties of the secretary shall be as follows:

26.1 To maintain accounts of the transactions of the Federation (West)

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- 26.2 To implement the work programme of the federation
- 26.3 To authorize expenses connected with the business of the federation within approved budget estimates
- 26.4 To sign the document on behalf of the Federation.
- 26.5 To summon and attend meeting of the managing committee.
- 26.6 To prepare the annual statements the of accounts and have them audited
- 26.7 To keep copies of entries in the books.
- 26.8 Conduct the business of the Federation and perform all commented with the same.



X Treasurer

27. The Treasurer shall take charges of all money received by the federation and shall make distbuersment in accordance with the direction of committee. He shall sign the cash and other book in token of there correctness and shall produce the cash balance whenever called upon to do so by the committee auditor or any authority shall discharge other functions connected with fund management, as may be required.

XI. RECOREDS AND BOOKS OF ACCOUNTS

28. Federation shall maintain necessary Registers & Books of accounts as are necessary and prescribed under the provision of act & rules. The records/ document of the Federation will be open for inspection as prescribed under the Act & rules in the manner prescribed there in.

29. Copies of bye-laws and the annual report shall be supplied free of cost on demand to any member. The last annual report shall open to public inspection during all office hours.

30. The committee shall appoint one of its members of the officers of the federation to take hold and keep in safe custody all the books and records as prescribed in bye laws.

31. All document creating a charge or obligation on The Federation shall be signed by the secretary or any other officer authorized by him. All - important document of the federation

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shall have the seal of Federation. The seal shall be kept under the custody of the secretary.

XII. AUDIT

32. The accounts of the Federation shall be audited once year by an auditor appointed for the purpose in the manner prescribed under the Act & Rules.

XIII. DISTRIBUTION OF PROFITS

33. The net profit shall be appropriated in the manner prescribed under the Act & Rules, especially as under.

33.1 Not less than 25 per cent of the net profit shall be carried to the reserve fund which shall be indivisible and no member shall be entitled to share it.

33.2 Dividend

33.3 contribution to cooperative education fund.


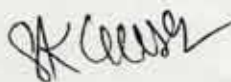
33.4 Bad debts fund

33.5 Any other fund as may be decided by the general body.

34. If no dividend is claimed for a period of three years from the date of declaration a notice shall be issued by the federation at the registered address of the member calling upon him to collect the amount within one month from receipt of notice. If dividend is not claimed during this period, it shall be transferred to the reserve fund.

35. The rebate and bonus shall be paid to the member according to the rules approved by the general body.

36. Allocation and distribution of profits shall only be made after the annual audit of account.



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XIV. GENERAL

37. All matters not specially provided for are to be decided in accordance with the Act and Rules.

38. The managing committee with the approval of the general meeting may frame rules of business for carrying on the work of the federation and may make additions to or alterations in them from time to time.

39. In case of any dispute about the meaning or interpretation of any provision of the Co-operative societies Act, Rules and these bye-Laws, the decision of the Registrar shall be final.

XV. LIQUIDATION

40. The Federation shall be wound up and dissolved as per provisions of the Act & Rules.



41. All matters not specially provided for in their Bye-laws, shall be decided according to the provisions of Act & Rules

42. Nominal members shall have no right to vote and to be elected as a member of the managing committee.

43. A co-opted member of the managing committee shall be have no voting right.

44. No act of the general body and the managing committee shall deem to be in valid by reasons of any deficiency in election of member thereof.

45. If there is any conflict between these bye laws and those of member societies, the provisions of the bye laws of the federation shall prevail.

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[Signature]
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