

THE ANDHRA PRADESH SHEEP AND GOAT DEVELOPMENT COOPERATIVE FEDERATION LIMITED

BYE-LAWS

1. NAME, ADDRESS AND JURISDICTION:

The Name of the Federation shall be THE ANDHRA PRADESH SHEEP AND GOAT DEVELOPMENT CO-OPERATIVE FEDERATION LIMITED. Its registered office is at Veterinary Polyclinic Campus, Kothapet, Guntur -522001 With Regd. No.1/AP/2014. The area of operation is extended to the whole state of Andhra Pradesh.

2. DEFINITIONS:

In these Bye-Laws, unless there is anything repugnant in the subject or context:

- a) 'ACT' means the Andhra Pradesh Cooperative Societies Act, 1964;
- b) 'BOARD' means the Board of Directors constituted as per the provision of these Bye -Laws;
- c) 'CHAIRMAN' means the Chairman of the federation;
- d) 'COMMODITIES' means Sheep, Goat, Wool, Milk, Meat, skins, manure, feed, fodder other products of slaughter of Sheep and goat by products, packing materials, processing materials, equipment and machinery etc;
- e) 'DEPARTMENT' means Animal Husbandry Department;
- f) 'FEDRATION' means the Andhra Pradesh Sheep and Goat Development Co-operative Federation Limited;
- g) 'GENERAL MEETING or 'GENERAL BODY MEETING 'means the meeting of the members of the Federation;
- (h) 'MANAGING DIRECTOR' means the Managing Director of the Federation, a full time employee appointed by the Board of Directors or an Employee whose services are deputed to the Federation as per the orders of the Government.
- i) 'MEMBER means any District Sheep Breeders Cooperative Union or primary Sheep Growers Co-operative Society Ltd, affiliated as the Member of the Federation as prescribed in these Bye-Laws and includes an Associate Member.

- j) 'PROGRAMMING COMMITTEE' means the Committee as constituted under the provisions of these Bye-Laws;
- k) 'RULES' means the Andhra Pradesh Co-operative Societies Rules, 1964;
- l) 'SOCIETY' means any registered Sheep Growers Co-operative Society Limited, or any Sheep Breeders' Co-operative Union Limited or any wool marketing Co-operative Society Limited.
- m) 'UNION' means the District Sheep Breeders Cooperative Union Limited having Revenue District as its area of operation.
- n) 'Registrar' means the Registrar of Co-operative Societies or any other Person on whom all or any of the powers of the Registrar under the Act are conferred.
- o) 'Co-operative year' means the period commencing on the 1st day of April of any year and ending with the 31st day of March of the Succeeding year.
- p) 'Near relative' means father mother, brother, sister, husband, wife, Son,-in-law, daughter-in-law, father-in-law, mother-in-law, brother-In-law, sister-in-law, nephew and niece."

3. **OBJECTS OF THE FEDERATION:**

The main objects of the Federation shall be promote the economic interest of its members in the following manner.

- a) To assist the member in carrying out activities Sheep and goat development, for augmenting the yields in quality from Sheep and Goats, procurement, processing and marketing of Sheep and Goats and their by products for the economic development of the Sheep Breeders.
- b) To assist in carrying out the business in Sheep and Goats and their by products by starting the required centers or organizations or processing units at suitable places in the state for maximum returns of the Federation.
- c) To assist in carrying out Development and expansion of such other allied activities as may be conducive for the promotion of Sheep and Goat Industry, improvement and protection of Sheep and Goats and economic development of those engaged in this profession in particular and without prejudice to the generality of the foregoing objectives, the Federation may:
- d) Assist in purchasing commodities from the members or from other sources, without affecting the interests of its members, pool, process, manufacture, distribute and sell the same.

- e) Assist in studying problems of mutual interest related to production, and marketing of Sheep and Goats and their by-products.
- f) Assist in purchase/hire or erection or takeover of buildings, plants machinery and other ancillary equipment to carry out business.
- g) Assist in application of improved Sheep and Goats Husbandry practices.
- h) Assist in providing veterinary aid and to undertake other Animal Husbandry activities so as to improve the health care and disease control of the flocks and assist the members in doing the same through Animal Husbandry Department.
- i) Make necessary arrangements for transport of Sheep and Goats, their by products and other commodities.
- j) Advise, guide, assist and control the members in all aspects of management, supervision and audit functions.
- k) Assist in purchasing raw material, packing and processing material etc., or to collaborate with the concerned organization, if need arises for manufacturing the same.
- l) Arrange to impart training to staff and all the member unions and societies;
- m) Assist the members to market its products under its own trademark /brand name or with its member unions trade mark/brand name
- n) Promote the interest of member (Unions and Societies) and also promote the organizations of primary societies and unions and assist the members in organization of primary societies.
- o) Plan development strategy and programmers for the District Unions, volume of production, procurement for the Federation and its members and for effective marketing of the same.
- p) Render technical, administrative, financial and other necessary assistance to the members and other organization within or outside the State of Andhra Pradesh and enter into collaboration agreement with someone, if need arises.
- q) Advise the member unions on price fixation, public relations and allied matters and the union shall act accordingly.
- r) Create trusts and funds for the welfare of the employees.
- s) Undertake periodical supervision of the member unions and the societies affiliated to its member unions. Federation shall also have powers to

recommend liquidation of any member union or primary co-operative society as per the provisions of the Andhra Pradesh Co-operative Societies Act 7 of 1964 & rules framed there under.

- t) The Federation will be in close liaison with Acharya N. G. Ranga Agricultural University, Sri Venkateswara Veterinary University, Animal Husbandry Department and any other such organizations / agencies for the programmes of training, extension, research and development.
- u) Organize and encourage saving scheme to inculcate the habit of thrift and propagate the concept and benefits of the cooperative movement.
- v) Encourage pasture, silvipasture and fodder production by members and members of the affiliated societies.
- w) Assist the member unions to own and rear flocks of sheep and goats as may be required to undertake the breeding programmes in the State.
- x) Arrange for or assist in purchase of Sheep and Goats by the Sheep Breeders.
- y) Undertake and encourage sheep and goat insurance programme.
- z) Arrange for the bulk procurement of the medicines, tools, feed, equipment and other commodities required for the Federation, member unions and the primaries and supply the same to them on no loss no profit basis or with marginal profit and assist the member unions in doing so.
- (za) Settle all matters of common interest of the member unions and the Primaries and further their interest.
- (zb) Generally to take steps necessary or proper or conducive or incidental to the attainment of any of these objects of the Federation.
- (zc) Promote organize the provision of efficient and hygienic facilities for the slaughtering of animals in modern slaughter houses to take over operation and to manage these slaughter houses including levying fees or charges for services rendered and renting out the facilities available in the slaughter houses.
- (zd) Undertake marketing, transport, storage services for purchase and sale of animals, animal feed and fodder in connection with and for the management of slaughter house.
- (ze) Provide services for inspection of meat and products, examination of carcasses pre-and post mortem facilities, veterinary services, enforcement of Municipal and other regulations, including recovery of slaughter house fees.

- (zf) Purchase, take on lease or otherwise acquire and hold any lands, buildings and structures for establishing meat industries and ancillary industries to carry out the objects of the Federation and to erect its own buildings, structures and enclosure residential bungalows, quarters, offices, chawls, warehouses, god owns, etc.,
- (zg) Build, repair, renovate, recondition, rebuild, alter, improve buy, acquire, take on lease or hire, demolish, resell buildings, factories, residential quarters and other structures capable of being used in furtherance of the objects of the Federation.
- (zh) Receive money, on deposit or on loan and borrow or raise money in such manner as the Federation shall think fit and to receive grants and advances from the State and Central Governments, Local Bodies Companies, Trusts or Individuals, Banks with or without interest accruing therein and to secure the repayment of any money borrowed, raised or received by mortgage, charge or lien upon all or any of the property or assets of the Federation.
- (zi) Pay for any rights or property acquired by the Federation and to remunerate any person or organization for services rendered.
- (zj) Establish and maintain or procure the establishment and Maintenance of any contributory or non-contributory, pension or Superannuation funds or provident funds for the benefit of and to give or procure the giving of donations, gratuities, pensions, Allowances, or emoluments to any person who is or was at any time in The employment or services of the Federation.
- (zk) Sell, improve, manage, develop, exchange, lease mortgage, dispose off turn to account or otherwise deal with, all or any part of the property and rights of the Federation.
- (zl) Acquire and undertake the whole or any part of the business property and liabilities of any other organization carrying on or proposing to carry on any business, which the Federation is authorized to carry on, possessed of property suitable for the purpose of the Federation or which can be carried on in conjunction, their with is capable of being conducted so as directly or indirectly to benefit the Federation.
- (zm) Establish or promote or concur in establishing or promoting any organization for the purpose of acquiring all or any of the property, and liabilities of such organization or for any other purpose rights which may seem directly or indirectly calculated to benefit the Federation and to place or guarantees the placing of underwrite, subscribe for or otherwise

acquire all or any part of the shares, debentures or other securities of any such other organizations.

- (zn) Carry on the business of goat and sheep or animal farming and sale of meat of any animal and other products there of locally or by export to places within and outside State of Andhra Pradesh or export to any country in the world.
- (zo) To do all such other things as may be deemed incidental or conducive to the attainment of the main objects or any one of them.

4. **FUNDS OF THE FEDERATION:**

Funds may be raised by:

- (a) **Shares:** The authorized share capital of the Federation shall be Rs.10.00 crores consisting of one lakh equity shares of Rs.1,000/- each by 'A' Class members i.e., District Sheep Breeders Co-operative unions and Government. Primary Sheep Breeders Cooperative Societies or any other Organization with similar objectives shall be Associate Members by paying Rs.500/- towards share value of each share. The share shall be paid in full on allotment.
- (b) **Deposits:** The Federation shall raise loans and deposits from the members, State Government, Central Government, and other
- (c) **Loans:** financing agencies with the approval of Registrar.
The total funds to be raised by Deposits and loans shall not exceed thirty times of the total paid-up share capital and reserve fund. However this will not apply to loans from Government.
- (d) **Grants, aid, and subsidies:** The Federation shall receive the grants, aid and subsidy from Government and other Institutional Agencies and Foreign Collaborations.
- (e) **Donations:** From private, charitable and similar sources.
- (f) **Investments:** The Federation may by resolution of majority of Board of Directors with due care and diligence, invest or deposit its funds which are not immediately required for the business of the society.
 - (i) With any Nationalized Bank or Scheduled Bank or the concerned District Co-operative Central Bank.
 - (ii) In the Postal Saving Bank.
 - (iii) In any of the Securities specified in Section 20 of the Indian Trusts Act 1882.
 - (iv) In the Shares of Securities of any other society.

5. **MEMBERSHIP:**

(a) Members ship of the Federation shall open to:

- (i) The Registered District Sheep Breeders Cooperative Unions as defined in Bye-law No."2 m" and State Government of Andhra Pradesh will be the (A) Class Member.
- (ii) The registered primary societies as defined in bye-law No."2 L"or any other organizations with similar objectives shall be Associate Members.

(b) A District Union desiring to enroll itself as a member shall have to make an application to the Federation in writing in the prescribed form along with admission fee of Rs.100/- and minimum share capital of Rs.10,000/-

(c) An Associate member shall have no voting right and also have no share in profit or loss, but entitled only for services as may be decided by the Board from time to time.

(d) Every member shall hold at least one share.

(e) The Federation shall have the right to call upon any member to subscribe share capital and/or in proportion to the business transacted through the Federation, as may be prescribed by the Board from time to time.

(f) 'A' Class members shall pay the minimum deposit of Rs.10,000/- and 'B' Class members shall Rs.2000/- the deposit is refundable, also with interest announced from time to time.

(g) The liability of a member shall be limited to the capital subscribed.

6. Share Certificate shall be issued for the Share subscribed by a member.

7. A duplicate share certificate will be issued in the event of loss of the share Certificate by a member with the written approval of the Board of Directors on Payment of Rs.10/- per share, against an indemnity bond to be furnished by member.

8. The properties and funds of the Federation shall be invested in accordance with the Act and Rules of the State.

9. No member once affiliated can seek disaffiliation without prior permission of the Board of Federation, unless it is wound-up.

10. Subject to the provisions of the Act, any member may be expelled by A resolution of 2/3rd members present at the General Meetings and voting for any of the following reasons:

- (a) Any member who has acted adversely to the interest of the Federation.
 - (b) If the member is a persistent defaulter and habitually fails to carry out its obligation to the Federation.
 - (c) If the member willfully deceives the Federation by false statements.
 - (d) If the member does any act likely to injure the reputation of the Federation.
 - (e) The Board of Directors shall give such member, fourteen days written notice of the proposals to expel the said member and a copy of the resolution expelling the member shall be communicated to the member.
11. The member may transfer the shares after for at least one year to another Member with the approval of the Board of Directors of the Federation.
- A) No Transfer shall be considered complete, until the name of the transferee has been entered into the share transfer and a fee of Rs.10/- per share has been paid.

12. **CESSATION OF MEMBERSHIP:**

A Member shall cease to be a Member.

- (a) On liquidation.
- (b) On expulsion.
- (c) On failure to pay share amount as called upon by the Board.
- (d) A cased member shall be entitled to receive back the amount not exceeding the actual sum paid by the said member on account of shares within a period of one year.

13. **OBLIGATIONS OF MEMBERS:**

Every member shall.

- (a) Plan the procurement scheduling as per directions of the Federation.
- (b) Process, manufacture and market all of its sheep and Goat and allied produce as per the directions of the Federation.
- (c) Adhere to the programmed, schemes and plan provided by the Federation in respect of all the activities such as.
- (d) Procurement.
- (e) Production manufacture under different brand/trademarks.

- (f) Organization of Societies.
- (g) Technical inputs programme.
- (h) Administrative and managerial aspects.
- (i) Pricing, standard of quality and
- (j) Procurement of raw material and packing material.
- (k) Failure on the part of the members to fulfill the above and such other obligations shall make them liable for consequential losses to the Federation as may be decided the Board.

14. GENERAL BODY:

- (a) The ultimate authority of the Federation shall be vested in the General Body consisting of all the members.
- (b) General Body meeting will consist of the following:
 - (i) The president or representative of each affiliated District Sheep Breeders Cooperative Union enrolled as members.
 - (ii) Nominee of the Government of Andhra Pradesh.
- (c) The Chairman of the Federation shall preside over the General Body or the Board of Directors Meeting. In case of his absence the vice Chairman will Preside and in the absence of both the Chairman and Vice Chairman one among the members will be chosen to preside that meeting only.
- (d) A special General Body Meeting may be called at any time by majority members of the Board of Directors and shall be called within 30 days of the members of the date of receipt of requisition in writing signed by at least 1/3rd of the members of the Federation or by the Registrar.

15. POWERS AND FUNCTIONS OF GENERAL BODY:

The General Body Meetings shall, among other things, deal with the following matters and as stipulated U/s 30(2) of the Andhra Pradesh Co-operative Societies Act 7 of 1964 in the manner prescribed.

- (a) To approve the expenditure incurred over the sanctioned budget.
- (b) To approve the budget and programme of work of the Federation for the ensuing year recommended by the Board.
- (c) To receive from the Board the Annual Report together with the Trading and profit and Loss Accounts, for the preceding financial year of the Federation and Balance Sheet as on 31st march of that financial year and to sanction the appropriation of profits.

- (d) To review the Audit Memorandum and Audit Rectification Report received from the Board of Directors and any other communication from the Registrar of Cooperative Societies.
- (e) To fix the allowances to be paid to the members of the Board for attending the Board and other meetings.
- (f) To consider expulsion of members, if any, as recommended by the Board in accordance with the provisions of the Act.
- (g) To add, alter and amend the Bye-laws as and when necessary as per directions by the Registrar.
- (h) To approve the expenditure incurred on the members of the Board.
- (i) To consider any other business brought forward by or with the consent of the Chairman.
- (j) Notice of the Agenda of the General Meetings mentioning date, place and time of the meetings shall be issued in writing to all its members at least 14 days in advance under certificate of posting. Provided further that in case of Annual Administration Report, the Audit Certificate (if available) and the balance sheet. Non-receipt of such a notice by any member of the General Body shall not invalidate the proceedings of the meetings.
- (k) Prior notice is not necessary in case of the following:
 - i. A motion for a change in the order of the business of the agenda.
 - ii. A motion for adjournment or dissolution of the meeting.
 - iii. A motion that the meeting to pass on the next item on the Agenda.
 - iv. A motion to refer the matter under consideration for discussion or report of the Board of Directors.
 - v. A motion allowed by 2/3rd of the members present.

15. A. NOTICE FOR GENERAL MEETINGS AND COMMITTEEMEETINGS:

- 1) The Committee may at any time, call not less than two general meetings of a society in co-operative year; provided that one meeting shall be held each half year.
- 1a) If the General Meetings is not convened in accordance with the provisions of sub-section (1), the members of the Committee shall cease to hold office on the day next after the 1st day on which the general meetings should have been held, and it shall be competent for the Registrar, notwithstanding anything in the

bye-laws, to call such general meetings in Such manner as may be prescribed.

- 2) The committee shall call a general meeting within thirty days of the date of receipt of a requisition in writing from-
 - i) The members not less than 1/3rd of the total members of the Federation.
 - ii) The financing bank to which the society is indebted.
 - iii) The Register.
- 3) It shall be the duty of the president of the society to call the meetings of the committee so that at least one meeting of committee is held in every three months, if the president fails discharge that duty with the result that no meeting is held, within such period, of three months or within one month following such period, he shall with effect from the date of expiration of one month aforesaid cease to be the president:

Provided that it shall also be the duty of the president to call such meetings within 15 days of the date of receipt of requisition in writing in that behalf from any of the requisitions specified in (2) above.

16. **VOTING RIGHTS:**

Each member shall have one vote by virtue of its membership.

17. Special General Body Meeting of the Federation shall be called with 7 days notice stating the date, time and place at which and the objects for which such meetings will be held.
18. The Quorum for the General Body Meetings shall be not less than 1/3rd of the total membership of the Federation.
 - a) The Special General Body Meeting may transact any business that would have been normally transacted by the Annual General Body Meeting.
19. Decisions shall be taken by majority of votes. In the case of an equality of votes, the Chairman shall have a casting vote in addition to the vote to which he may be entitled to as a member.
 - a) All executive powers will vest with the managing Director under the overall control of the Board of Directors. The Chairman may offer general guidance in the affairs of the Federation through the Board of Directors.

20. **BOARD OF DIRECTORS:**

a) The Board of Directors shall consists of the following:

- i) Thirteen Directors shall be elected by the General Body of the Federation i.e., District Sheep Breeders Cooperative Union in accordance to the provisions of the APCS Rules, elected representatives from Districts Sheep Breeders Cooperative Unions.
- ii) **Principal Secretary to Government Animal Husbandry, Dairy Development and Fisheries Department or his nominee.**
- iii) Principal Secretary to Government, Finance Department (RE) or his nominee.
- iv) Principal Secretary to Government, Public Enterprises Department or his nominee.
- v) Director of Animal Husbandry or his nominee.
- vi) Managing Director of the Federation (ex-officio)
- vii) Managing Director of A.P Backward Classes Co-operative Finance Corporation or his nominee.

20 b) However during the transitory period initially for one or two terms or till regular elections to the Federation are conducted, the Board of Directors shall consist the following:

- i) Director of Animal Husbandry or his nominee.
- ii) Commissioner for cooperation and Registrar of Cooperative Societies or his nominee.
- iii) Nominee of the N.C.D.C.
- iv) Nominee of the NABARD/NBCFDC.
- v) Nominee of the Andhra Pradesh State Cooperative Bank.
- vi) Managing Director A.P. Backward Classes Co-operative Finance Corporation or his nominee.
- vii) Five non-Office Directors to be nominated from presidents/ persons in-charge or Directors of District Union.

20 c) Election of office Bearers: The elected Board of Directors of the Federation shall elect from among themselves a Chairman & Vice Chairman. The Chairman & Vice Chairman of the Federation shall cease to hold office as they ceases to hold office in the District Sheep Breeders Cooperative Union of the Concerned.

20 d) Notwithstanding anything contained in the Bye-Laws, the Government shall have power to nominate or to remove the Board of Directors those who were nominated by the Government at any time for reasons to be recorded in writing.

20 e) Any member or members of the Board of Directors may at any time resign from his office by sending a letter of resignation addressed to the Managing Director of the Federation and same shall be placed before the Board of Directors. Such resignation shall take effect only from the date on which it is accepted by the Board of Directors of the Federation. But the Chairman may resign to his seat by sending a letter of resignation by Registered post or by tendering it in person to the Registrar and such resignation shall take effect from the date it is accepted by the Registrar.

20 f) The quorum for the meeting of the Board of Directors shall be the majority of the total membership of the Board.

21. THE TERM OF THE BOARD OF THE DIRECTOR OF THE FEDERATION SHALL BE FOR A PERIOD OF (5) YEARS FROM THE DATE OF DECLARATION OF RESULT BY THE ELECTION OFFICER AS PER ELECTION NOTICE IN FORM-1..

21 a) When he ceases to hold that office or post and his successor shall automatically replace him in the Board.

b) Any vacancy arises on account of resignation/death of Chairman and Vice Chairman the same shall be filled up by conducting election as per the procedure laid down in Rule 22 (12) of APCS 22(12) of APCS or Rule 22-B(C) of APCS Rules.

c) If the President ceases to hold office under Sub-Section (3) of section 32 or if he has been continuously absent from the head quarters for more than (15) days, or is incapacitated for more than (15) days, his powers and functions on such cessation or during such absence or incapacity shall devolve on the vice President until his presence and capacity to do activities or until new President is elected.

22. No member shall be allowed to participate or vote in the proceedings of any matter in which he has personal or any other interest.

23. No act done by the Board or any person acting in his capacity as a member of the Board shall be invalid that it is afterwards discovered that there was some defect in the appointment of such Board or person.

24. The Board may meet as often as it considers necessary but, it shall meet at least once in every three months. Such meetings shall be convened by giving 7 clear days notice of the meeting. In case of emergencies, the meeting can be convened at short notice.

24 a) The Meeting of the Board of Directors shall be held at the Registered office of the Federation or at any other place as decided by the Board.

25 **POWERS, RESPONSIBILITIES AND FUNCTIONS OF THE BOARD.**

The entire administration, management and control of the Federation shall be vested in the Board of Directors. The Board of Directors shall have and exercise all such powers and enter into all such agreements, make all such acts and things, as may be necessary proper, for the due management of the Federation and for carrying out the objects for which Federation is established and for securing and furthering its 7 of 1964 and the rules framed there under and subject also to these Bye-laws and/or any subsidiary byelaws which may be duly made under these Bye-laws by the Federation without prejudice to the general powers conferred by these byelaws, the following powers and authorities are given to and conferred upon the Board. Further, the Board of Directors shall have all or any of the powers and Functions as stipulated under Section 31-A of the Andhra Pradesh Co-operative Societies Act 7 of 1964 as applicable to the Federation.

- a) To approve the proceedings of the previous meetings.
- b) To purchase or take on lease or otherwise acquiring land and/or buildings and/or construct buildings.
- c) The borrow funds required from time to time carry on the business of the Federation in accordance with the objects subject to the provisions of these bye-laws. Raise funds in the form of loans and deposits and invest them.
- d) To apply to Government for exemption from holding the license required for undertaking business, processing produce, to generate electricity for plants etc.
- e) To apply for the license required under the Rules of the State.
- f) To apply for outright purchase or other-wise by way of the license or other-wise any patent rights of inventions, trade rights, copy rights or secret process of technical aid or know-how which may be useful to achieve the objects of the Federation and to grant licenses to use the same.
- g) To approve administrative set-up of the Federation.
- h) To appoint and remove or suspend senior Executive of the Federation, to fix their remuneration an frame necessary service rules. However, for selecting staff a Section Committee shall be formed.
- i) The Board may delegate as it deems fit any of its functions to the Managing Director.

- j) To create funds and trusts for the welfare of the employees of ex-employees of the Federation or their connections or dependents of such persons and to support the same.
- k) To institute, conduct, defend, compound or abandon any legal proceedings, by or against the Federation or its officers or otherwise concerning the affairs of the Federation and also to allow time for payment or satisfaction of any debts due to and settle any claim and/or demands by or against the Federation by arbitration or other-wise.
- l) To recommend to the General Body regarding the expulsion of any member, whose conduct in the opinion of the Board is detrimental to the interests of the Federation by 2/3rd majority of the members present at the meeting. To recommend removal of members disqualified Under Section 21 of Andhra Pradesh Co-operative Societies Act 7 of 1964.
- m) To admit members, allot shares and transfer shares of members.
- n) To call upon the members to subscribe to Share Capital as prescribed in proportion to their dealings in terms of unit, with the Federation.
- o) To receive Audit report, approve and arrange, rectification of defects, if any pointed out in the reports of Audit Under Section 50, or Inquiry under Section 51 or Inspection Under Section 52 or under Section 53.
- p) To approve the annual accounts, annual financial statements, annual reports, administrative reports, annual plan, annual budget and recommend distribution of profits earned by the Federation to the General Body.
- q) To fix the rates of service charges for procuring, manufacturing, processing and marketing of livestock and raw material and allied products through the Federation.
- r) To decide the pricing structure, rate of commission to be paid to the primary Societies/Unions or procurement commodities.
- s)** To decide the pricing structure for the Sheep and Goat allied Products supplied by the members.
- t) To insure against the risk of all kinds of movable and immovable properties of the Federation.
- u) To fix the charges for use of its trade mark/brand name.
- v) To approve the purchase and erection of plant, machinery and other assets for the business of the Federation.

- w) To approve sale of any land any other movable properties if not required for the business of the Federation with the previous approval of the Registrar and Financing Agency if any.
- x) To charge the fees for the services rendered by the Federation.
- y) To review periodically and decide factors for expressing quality of commodities on the recommendation of programming Committee.
- z) To prepare Agenda for the General Meetings and fix the time, place and date of the Meeting.
- Za) Recommend removal of any of the Committee members disqualified under Section 21-A, 21-AA, 21-B reinstatement of Committee member who ceased to be such member of the committee Under Section 21-B and place the reports before the General Body.
- Zb) Sanction expenditure which is necessary for the Business of the Federation Subject to the provisions of the annual budget.
- Zc) Conduct elections in the manner specified in the Act, Rules and Byelaws to the office of the Members of the committee before the expiry of the term.
- Zd) Conduct General Body Meetings as prescribed in the Act, Rules and Bye-laws.
- Ze) Cause the Audit of the Accounts of the Federation within the time prescribed And place the report before the General Body.
- Zf) Decide matters connected with the day Management of the Federation.
- Zg) Fix the staffing pattern, qualifications, pay scales and other allowances to the employees of the Federation, subject to the availability of the Administrative and Contingent Fund and approval of the General Body and Register.
- Zh) Place the reports of Inquiry under Section 51, or Inspection Under Section 52 or Under Section 53 or Special Audit Report Under Section 50 before the General Body within the time prescribed under Andhra Pradesh Co-operative Societies Act 7 of 1964 and rules framed there Under.
- Zi) Initiate action for prosecution of any person who may have incurred criminal liability under the provisions of the Andhra Pradesh Cooperative Societies Act or any other law for the time being in force.
- Zj) Prepare the list of defaulters and publish the same as prescribed in Act and Rules and place before the General Body.
- Zk) Review all outstanding loans and ensure coverage of legal action on all over due loans and advances.
- Zl) Ensure Co-operative education of the members, officers and the employees of Federation.
- Zm) Prepare and place before the General Body information or reports or statements relating to:

- i) Disposal of properties.
 - ii) Deficits in cash or stocks.
 - iii) Proposals for appropriation of net profits including creation of reserves and other funds.
 - iv) Write of bad debts.
 - v) Removal of membership.
 - vi) Contribution to Co-operative education fund and administrative and contingent fund.
 - vii) Nomination of delegates to any other organization.
 - viii) Appointment of internal auditors and consideration of their reports and follow up action.
26. The Board shall be competent to frame subsidiary Rules consistence with the provisions of the Act. Rules and bye-laws for the proper conduct of the business of the Federation. These Rules shall be implemented after approval by the Registrar.
27. The Board shall have power have to issue a common seal for the business of the Federation and it shall be used except by the authority of the Board or the Managing Director. Every deed or document to which the seal is affixed shall be countersigned by the Managing Director and/or the Chairman as may be decided by the Board.
28. **POWERS AND FUNCTIONS OF THE MANAGING DIRECTOR:**
- The General power, duties and responsibilities of Managing Director are as under.
- (a) He shall have general control over the administration and business of the Federation.
 - (b) He shall purchase or take lease or acquire any land, building or properties not exceeding the value of rupees one lakh at a time.
 - (c) He shall be officer to sue or to be sued on behalf of the Federation and all Bonds and Agreements made in favour of the Federation shall be in his name.
 - (d) He shall have powers for and on behalf of the Federation to endorse, sign, negotiate cheques and other negotiable instruments on behalf of the Federation. He shall also sign, all deposit receipts and operate on the accounts of the Federation with any bank as specified under Section 46 of the A.P. Cooperative Societies Act 7 of 1964.

- (e) He shall appoint members of staff within the sanctioned scales of establishment in consultation with the selection committee formed for this purpose.
- (f) He shall have the powers to transfer all officers and staff below the level of Divisional Heads from Head Office to the Units, from Units to Head Office, from one unit to another unit and from one branch to another branch of the Federation. He shall also have power to shift or exchange posts from Head Office to units, and from Units to Head Office, from one unit to another and from one branch to another branch whether big or small of the Federation in the entire state as per requirements of the administration, with the prior approval of the Chairman.
- (g) He shall award punishment including dismissal from service of employees for whom he has power of appointment as stipulated by the Board.
- (h) He shall allow credits to buyers within limits fixed by the Board from time to time.
- (i) He shall undertake import and export business for/on behalf of the Federation.
- (j) He shall carry out negotiations with the Government and other organizations.
- (k) He shall make necessary arrangements for transport and storage of commodities and allies produce.
- (l) He shall arrange to insure all properties of the Federation against risks of all kinds.
- (m) He shall arrange to impart training to the staff members of the Federation, unions and societies.
- (n) He shall enter into agreements or contracts for purchase, sales, lease of land, buildings required for the working of the Federation and to execute documents on behalf of the Federation and to represent it in all legal actions instituted by or on behalf of the Federation.
- (o) He shall arrange to maintain proper accounts of the Federation.
- (p) He shall arrange to prepare Annual Report, Balance Sheet of the preceding financial year and budget of the Federation for the ensuing year for placing before the Board of Directors.
- (q) He shall convene the meeting of the Board of Directors as required under these bye-laws and General Meeting and such other Committee Meeting as and when directed by the Board and on receipt of requisition from the requisite number of members, or the Registrar as the case may be.

- (r) He shall arrange to supervise the member unions and the societies of member unions.
- (s) He shall appoint consultants/experts and fix their remuneration with the permission of the Board.

29. **PROGRAMMING COMMITTEE:**

The programming committee shall consist of the Board.

- (a) The Chairman of the Federation shall be the Chairman of the Committee.
- (b) The Managing Director of the Federation shall be the Secretary of the Committee.
- (c) Chief paid Executive of all the affiliated member district unions.
- (d) The chief quality control officer of the Federation, if any

30. **FUNCTIONS OF THE PROGRAMMING COMMITTEE:**

The programming committee will perform the following functions.

- (a) To recommend the manufacturing programme for the ensuing year and to review it periodically.
- (b) To fix the minimum standard of the product to be manufactured and marketed by the Federation.
- (c) To recommend the programme for organizing the primary Sheep Growers Cooperative and District Unions, wherever necessary.
- (d) To recommend the rate of various costs for the manufacture, processing, commissioning, packing charges, overhead charges, subscription, royalty etc.
- (e) To recommend prices of raw materials and/or finished products and for the matter, recommend periodically, the factors for expressing the quality of the commodities.
- (f) To prescribe and recommend the terms and conditions for procurement, storage, processing and marketing of commodities and produce.
- (g) To review the policies regarding procurement, processing and marketing periodically.
- (h) To suggest measures for increasing the productivity of the members and assist in implementing the same.
- (i) To suggest to undertake market research and development.
- (j) To plan production, procurement keeping in view the market strategies.
- (k) To advise and assist members in all aspects of management.

- (l) To recommend financial, technical, administrative and other necessary assistance to the member unions and to recommend to enter into collaboration agreement.
- (m) To advise member unions on public relations and allied matters.
- (n) The programming Committee may, if it feels necessary, appoint sub-committee to report on any specific problem and may, if necessary, coopt on the sub-committee, a specialist in the field from amongst the staff members of the affiliated District Unions.

31. In case of urgency, when a particular decision cannot wait till the Board meets, the decision may be carried out by a circular resolution amongst all its members and any resolution so approved by all the members duly signed shall be Considered as effective and binding, as if such resolution has been passed at a meeting of Board.

32. **DISTRIBUTION OF THE PROFITS:**

At the General Body Meeting, the net profit of Federation shall be distributed as follows in terms of Section 45 and Rule 36 of the Andhra Pradesh Co-operative Societies Act 1964 and Rules framed there under.

- (a) 25% shall be carried to the Reserve Fund.
- (b) To contribute towards the Cooperative Education Fund of the state Cooperative Union 1% of gross profit or gross income in a year subject to such limits as prescribed in Andhra Pradesh Co-operative Societies Rules 1964.
- (c) To credit an amount not being more than 30% of gross profit or 2% of working capital whichever is less in a year to the administrative and contingent fund towards pay and other allowances of its employees and contingencies in the manner prescribed.
- (d) Credit up to 10% and not less than 5% of annual net profits as bad debts reserve and shall utilize it only with the specific permission of the Registrar to meet un foreseen losses.
- (e) An amount not being less than 15% of net profit shall be distributed to members as dividend on the paid-up Share Capital.
- (f) Not less than 15% shall be paid as rebate to member unions in proportion to their volume of business through the Federation.
- (g) From out of the balance, of the net profits may be utilized, for all or any of the following purpose mainly:
 - i) Constitution of or contribution to such special funds as may be specified by the Board.

- ii) Payment of Bonus to employees of the Federation or remuneration to a member for services rendered by him to Federation to the extent and manner specified by the Board.
- iii) Donation of money not exceeding 10% of net profits to be utilized within the area of operation of the society for any charitable purpose as defined in Section 2 of the Charitable Endowments Act 1890.
- iv) May set apart not more than 10% of net profits towards constituting a common good fund from out of the balance for the purpose as defined in clause (5) Section (2) of the Andhra Pradesh Hindu Religious Institutions and Endowments Act 1987.
- v) Shall create a mutual assistance fund by contribution of 1% of the gross profit from its constituent societies to overcome temporary difficulties in business such as loss of property, temporary resource crunch etc.,

33. **RESERVE FUND:**

In addition to the sum in the bye-law 32 all entrance fees, donations, other than these for specific purposes and receipts on account of forfeited shares and fines to other than those collected from employees shall be carried to the reserve fund.

34. **ACCOUNTS AND RECORDS:**

The financial year of Federation shall be from 1st April to 31st March, Books of accounts and other records shall be maintained as prescribed in the Rules and also as directed by the Registrar with such additions as the Directors of the Board may consider necessary.

35. **AMENDMENTS:**

None of the bye-laws herein contained shall be altered or rescinded and no byelaw shall be added except by vote of majority consisting of at least two third members present and voting at the General Meeting. The notice convening the meeting shall specify the proposed alterations or recession. The amendment shall not take effect until it is approved by the Registrar.

36. **SERVICE OF NOTICE:**

There in these bye-laws, it is proposed that written notice shall be given to Any member the delivery of such notice at the registered office of any member institute shall be considered as sufficient service of such notice.

37. **AUDIT:**

The Board shall prepare and submit or cause to be prepared and submitted after the end of the Co-operative year to the Chief Auditor of Co-operatives

or the person authorized by him as the case may be, such statements and reports as may be prescribed for the purpose of the Audit of Accounts of the Federation for the Cooperative year. The Audit shall be completed within a Period of six months from the close of the Cooperative year and such other further period not exceeding six months as the Chief Auditor may permit for the reasons recorded in writing.

38. **PROVIDENT FUND:**

The Federation may, subject to the Rules establish a Contributory provident Fund for the benefit of its employees to which shall be credited all The contributions by them and the Federation in accordance with the subsidiary Bye-laws regulating the service conditions of the employees.

The provident Fund so established shall not;

- i) Be used in the business of the society;
- ii) Form part of the assets of the Society;
- iii) Be liable to attachment or be subject to any other process of any court or other Authority.

Notwithstanding anything, the provident Fund established to which the Employees provident Fund Act 1952 is applicable shall be governed by that Act through the Regional Provident Fund Commissioner.