APPENDIX IV.a.

Constitution of the Board of Directors in the case of a few types of Federal Cooperatives

(a) A Milk Union¹ : Total Membership : 15
(1) Nine elected representatives of affiliated societies.
(2) Three members elected from amongst the individual shareholders.
(3) One nominee of the Registrar, Cooperative Societies.
(4) One nominee of the financing agency.
(5) One to be co-opted by the Board of Directors from experts in the milk business.

Note: The Board of Directors shall elect Chairman and Vice-Chairman every year at their first meeting after the Annual General Meeting.

(b) A Cooperative Marketing Union² : Total Membership : 21
(1) One President elected by the general body. (He acts as the Chairman of the managing committee).
(2) One member nominated by the District Registrar.
(3) Eighteen members elected from amongst the representatives of the cotton purchase and sale societies, but not more than two from amongst those who may be getting remuneration from union.
(4) One to be co-opted by the managing committee, with the approval of the District Registrar.

(c) A Taluka Cotton Sale Ginning and Pressing Society:³

The managing committee consists of a minimum of 11 members and a maximum of 15 members.
(1) One member elected by the general body, who shall be the Chairman of the Managing Committee.

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(2) One representative of the financing agency.
(3) Two representatives of local experimental unions.
(4) Five members elected by the societies from amongst themselves.
(5) Six members elected from individual members, of which one shall be a non-farmer.

(d) A cooperative Sugar Factory:
The managing committee consists of 17 members.
(1) (a) At least 3 producer—shareholders holding more than 10 shares or growing sugarcane in more than 5 acres.
(b) Six members who hold less than 10 shares or are growing sugarcane in less than 5 acres.
(2) Two members, one from cooperative societies and one from farmers' societies.
(3) Two representatives of State Government so long as the Financial Loan of the Government and Industrial Finance Corporation of India Ltd., is not paid back.
(4) One representative of the Registrar, Cooperative Societies.
(5) One representative, who shall be a manager or director, of the financing agency.
(6) One co-opted member, who is an expert in the business of the society and who should be approved by the Registrar and the central financing institution.
(7) Managing Director. (Ex-officio).

(e) A State Level Industrial Cooperative Union:
The Board consists of 24 members.
(1) Sixteen representatives @ one of each District Industrial Cooperative Union Ltd.,
(2) One representative of Cooperative Societies other than District Industrial Cooperative Unions.

(3) One representative of Individual Members.
(4) One representative of State Handicraft Board.
(5) One representative of State Handloom Board.
(6) One representative of Gujarat State Cooperative Bank.
(7) One representative of Registrar, Cooperative Societies.
(8) Two Co-opted members, of which one to be from Weavers' Societies.

(f) A District Central Cooperative Bank Ltd. Total Membership: 16

(1) Not more than 7 and not less than 5 Directors representing agricultural credit and multipurpose societies.
(2) One Director representing non-agricultural credit and industrial societies.
(3) One Director representing marketing and processing societies.
(4) One Director representing societies other than those mentioned in clauses (1), (2) and (3).
(5) Three Directors representing members other than cooperatives.
(6) One nominee of the State Cooperative Bank.
(7) One Director to be nominated by the Registrar, Cooperative Societies.
(8) Managing Director, if appointed (Ex-Officio).

In addition to the Directors mentioned above, the State Government shall have a right to nominate not more than 3 nominees on the Board of Directors of the Bank.

(g) The Gujarat State Cooperative Bank Ltd., Ahmedabad: Total Membership: 25

(1) Sixteen representatives @ one of each District Central Cooperative Bank.

(2) Two representatives of cooperative Banking Unions, Taluka Cooperative Banks, Peoples' Cooperative Banks.
(3) One representative of Industrial Cooperatives.
(4) One representative of other cooperative societies.
(5) One representative of State Land Development Bank.
(6) One representative of State Marketing Cooperative Society.
(7) One Nominee of State Government.
(8) Two members to be co-opted.

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APPENDIX IV.b.
Expressed Powers of the Board of Directors

(i) To establish the general objectives of the business.

(ii) To purchase, take on lease or otherwise acquire any building or land whether freehold, leasehold or otherwise for the society's purpose and to erect, construct and build or to sell or alter any building(s), house(s), or shop(s), godowns, office, etc.

(iii) To receive and disburse money and to maintain accounts.

(iv) To authorise the Managing Director, General Manager, Manager and other officers for the time being, of the society to exercise and perform all or any of the powers, authorities and duties conferred or imposed upon by the Board.

(v) To maintain up-to-date register of members.

(vi) To appoint or remove the Managing Director, Manager, Agent or other officers and clerks etc. for the management of the business of the society and to fix their remuneration, to frame rules for recruitment, grades, scales of pay, conduct rules, etc. and service rules subject to the approval of the Registrar.

(vii) To raise, borrow such sums of money as may be required from time to time for the purpose of the society in accordance with the bye-laws.

(viii) To insure and keep insured, if deemed expedient all or any of the buildings, goods or other property or any securities of the society.

(ix) To make advances or lend moneys to members at such rates of interest as the Board may deem fit taking security for the repayment thereof.

(x) To establish and to support or aid the funds for the benefit of employees or the dependents or relatives of such persons.
(xi) To utilize the various funds for the purpose for which they are created in accordance with the bye-laws.

(xii) To inspect and supervise the working of the affiliated societies and to call for periodical reports and returns.

(xiii) To frame rules with the approval of the Registrar for the election of Directors representing societies or individual shareholders to be elected under the bye-laws.

(xiv) To accept nominations from members and to transfer shares and pay moneys accordingly.

(xv) To do all or any other acts in conformity with and in support of the objectives as laid down in the bye-laws of the society.

(xvi) To delegate any of their powers to sub-committee, special committees, or the Managing Director, General Manager or Manager as the Board may think fit for time to time and withdraw all or any of the powers so delegated.

(xvii) To scrutinise the annual budget prepared by the executive committee and to sanction the same.

(xviii) To lay before the General Body an annual report of the working of the society and annual statement of accounts.

(xix) To recommend to the General Body, the appropriation of the profits of the society.

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APPENDIX IV.c.

Duties of the Chairman of the society

(i) He must ensure that the business is conducted in an orderly manner in accordance with the agenda of meetings.

(ii) He must ensure that the matters discussed do not transcend the definition of the Board's duties.

(iii) He must see that the matters to be discussed are put before the Board in such a form as to be clearly understood by the members; where decisions have to be taken, it is important that no misunderstanding arises on the part of any members as to the point at issue.

(iv) He must conduct the meeting in such a way that each member has a reasonable opportunity to speak; this is of special importance in respect of newly elected committee members.

(v) He must see that any resolution passed is worded in such clear language as to leave no room open for misunderstanding.

(vi) He must keep the meeting reasonable to the point under discussion and ensure that time is not wasted by discussion which has no bearing on the business on hand.

(vii) He must, when adequate time has been allowed for discussion, put motions and resolutions to the vote. If amendments have been proposed they should be put to the meeting first. He should read out motions and amendments slowly and carefully to make certain that they are fully understood and then ask for the votes of those in favour, followed by those against. He is responsible for the counting of votes and the announcing of the result. He utilizes the powers of a casting vote in cases where the votes for and against are equal. He has to see that a written record -- minutes -- are kept of all the meetings. The recorded decisions of the committee are the authority on which the manager or secretary acts.

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APPENDIX IV.d.
Functions and duties of a Secretary/Manager

(i) To summon and attend general meetings and meetings of the Board and to record the proceedings of such meetings in the minute book.

(ii) To keep all accounts, records and registers as prescribed in the rules\(^1\) and as directed by the Registrar with such addition as the Board thinks necessary and to prepare receipts, vouchers, profit and loss account, balance-sheet, and other documents required for the transaction of the business of the society.

(iii) To carry on the correspondence of the society and to maintain all its books, accounts and records.

(iv) To make disbursements and receive payments under orders of the Board.

(v) To guide, supervise and control the work of the salaried staff of the society.

(vi) To keep in custody all documents, promissory notes, loans, funds etc.

(vii) To see that the audit memo is placed before the Board for consideration without delay and to take steps for rectification reports in time.

(viii) To do all other works which may be entrusted to him by the Board.

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1. A specific rule No. 37 under Gujarat Cooperative Societies Act, 1961, is made that a society must keep the following books of accounts, as the cases may be:-
   (a) A Register of Members (including persons nominated).
   (b) A Register of Shares (where capital is raised by shares).
   (c) A Register of Debentures (where capital is raised by debentures). (d) A Register of Declaration about Charge on Immovable Property of Members' Borrowing from Certain Societies. (e) A Share Transfer Register. (f) A Debenture Transfer Register.