



उपविधियां/BYE-LAWS

(यथा 06 मई, 2024 तक संशोधित)

(As amended upto May 06, 2024)

कृषक भारती कोआपरेटिव लिमिटेड

KRISHAK BHARATI COOPERATIVE LIMITED

ए/A-10, Sector-1, नोएडा/Noida-201301 उ.प्र./U.P.

पंजीकृत कार्यालय/Regd. Office: A-60, कैलाश कालोनी/Kailash Colony,

नई दिल्ली/New Delhi- 110048

By Regd./Speed Post

F.No.- L-11015/8/75-L&M
Government of India
Ministry of Cooperation
Office of Central Registrar of Cooperative Societies

Atal Akshay Urja Bhavan, New Delhi
Dated: 6th May, 2024

CERTIFICATE OF REGISTRATION
OF
AMENDMENT

In pursuance of the provisions of the Multi State Cooperative Societies Act, 2002; amendment to bye-law Nos. 6(b)(deletion); 27(ii)(d); 30(iv); 38; 38(i) (numbered as 1,2,3,4 instead of i, ii, iii, iv); 38(iv) (partially approved); 47(ia) (new addition); 47(vii)(b); 47(xviii); 47(xxiv); 51(11-14) (partially approved) of "Krishak Bharti Cooperative Limited., KRIBHCO, A-10, Sector-1, Noida, Uttar Pradesh-201301" are hereby registered under section 11 of the Multi State Cooperative Societies Act, 2002 (39 of 2002).

Given under my hand and seal this the 6th day of May, 2024.



Anand
(Anand Kumar Jha) 6/5/24
Central Registrar of Cooperative Societies

To

Managing Director,
Krishak Bharti Cooperative Limited (KRIBHCO)
A-10, Sector-1, Noida,
Uttar Pradesh-201301

Meli

No. L-11015/3/79-L&M

Government of India

Ministry of Agriculture

Department of Agriculture and Cooperation

(Office of the Central Registrar of Cooperative Societies)

Krishi Bhawan, New Delhi.

Certificate of Registration

In pursuance of the provisions of the Multi-Unit Cooperative Societies Act, 1942 (Act VI of 1942) a Society by the name of KRISHAK BHARATI COOPERATIVE LIMITED (KRIBHCO)* with Registered Office in the Union Territory of Delhi has been registered as a multi-unit cooperative society under the Delhi Cooperative Societies Act, 1972 (Act No. 35 of 1972). The Registration No. of the Society is CR 13.

Given this 17th day of April, 1980 at Delhi under my seal and signature.

Sd/-

(S.SATYABHAMA)

Central Registrar of Cooperative
Societies

and

Joint Secretary to the Government India

Seal

* Deemed to be registered under the Multi-State Cooperative Societies Act, 2002 (Act 39 of 2002)

**BYE-LAWS
OF
KRISHAK BHARATI COOPERATIVE LIMITED**

1. NAME AND ADDRESS

- (i) The name of the Multi-State Cooperative Society shall be KRISHAK BHARATI COOPERATIVE LIMITED (hereinafter called KRIBHCO).
- (ii) Its Registered office shall be at A-60, Kailash Colony, New Delhi-110 048 and its e-mail id is MDOFFICE@KRIBHCO.NET.

2. COMMON SEAL

- (i) KRIBHCO shall have a Common Seal. The Common Seal shall be kept in the safe custody of the officer authorized by the Board. The Common Seal shall not be affixed to any instrument except on the authority of a Resolution of the Board of Directors, or, of the Executive Committee of the Board constituted under Bye-law No.51 and except in the presence of any two Directors, who shall sign every instrument to which the Common Seal is affixed.
- (ii) KRIBHCO shall be a body corporate and shall have the power to acquire, hold and dispose of property, both movable and immovable, enter into contract, institute and defend suit and other legal proceedings and to do all things necessary for the purpose of furthering the interests of its members based on cooperative principles. KRIBHCO shall conduct its operations in a professional and commercial manner to ensure the social and economic development of its members and optimum returns to its members on their contributions in KRIBHCO.

3. DEFINITIONS

The words/expressions appearing in these Bye-laws shall have the following meaning unless otherwise provided:-

- (i) "CENTRAL REGISTRAR" means the Central Registrar of Cooperative Societies appointed as per clause (f) of article 243ZH of the Constitution read with Sub-Section (1) of Section 4 of the Act, and includes any office empowered to exercise the powers of the Central Registrar under Sub-Section (2) of that Section of the Act.
- (ii) "AUTHORITY" means the Co-operative Election Authority as defined under the Act.
- (iii) "CIO" means the Co-operative Information Officer responsible for providing information in accordance with the Act and Rule.
- (iv) "RELATIVE OR RELATIVES" means a person as defined under Explanation of sub-section 6 of section 41 of the Act.

- (v) "COOPERATIVE OMBUDSMAN" means an Ombudsman appointed by the Central Government under section 85A of the Act.
- (vi) "ACT" means the Multi-State Cooperative Societies Act.
- (vii) "RULES" means rules framed under the Multi-State Cooperative Societies Act.
- (viii) "APEX COOPERATIVE FEDERATION" means a federal Cooperative Society whose area of operation extends to the whole of State or Union Territory.
- (ix) "APEX COOPERATIVE MARKETING FEDERATION" means a federal Cooperative Society engaged in the marketing, processing of agricultural produce and supply of production requisites and consumer goods and the area of which extends to the whole of a State or a Union Territory.
- (x) "NATIONAL COOPERATIVE FEDERATION" means a federal Cooperative Society whose area of operation extends to the whole of Indian Union with membership including apex societies.
- (xi) "REGIONAL COOPERATIVE SOCIETY" means a federal Cooperative Society whose area of operation extends to more than one district or more than one State or a Union Territory.
- (xii) "DISTRICT COOPERATIVE SOCIETY" means a federal Cooperative Society whose area of operation extends to the whole District.
- (xiii) "SOCIETY" means a Cooperative Society registered under the Cooperative Societies Act applicable to the State or a Union Territory in which it is established.
- (xiv) "TRIBAL COOPERATIVE FEDERATION" means a federal Cooperative Society whose area of operation extends to whole of State/Union Territory or more than one District in a State and whose main objects include promotion of economic interests of the tribal population in the area.
- (xv) "TRIBAL COOPERATIVE DEVELOPMENT CORPORATION" means a Corporation created by State legislation whose area of operation extends to the whole of State/Union Territory or more than one district in a State and whose main objects include promotion and development of tribal cooperatives for the betterment of living standards and serving the socio-economic needs of tribal population in the area.
- (xvi) "DELEGATE" means a person who is duly nominated by a member society/institution or elected by member Cooperative Societies and who is qualified to attend the meetings of the General Body of KRIBHCO in accordance with these Bye-laws.

- (xvii) "GENERAL BODY" means a body of duly nominated/elected representatives of members and constituted in accordance with these Bye-laws.
- (xviii) "BOARD" means Board of Directors of KRIBHCO constituted in terms of these Bye-laws.
- (xix) "EXECUTIVE COMMITTEE" means the Executive Committee constituted by the Board of Directors in terms of these Bye-laws.
- (xx) "SUB-COMMITTEE" means a Committee constituted by the Board of Directors or Executive Committee to undertake specific tasks to further the objects of KRIBHCO.
- (xxi) "MANAGING DIRECTOR" means a person appointed as per the provisions of the Act, the Rules and these Bye-laws as the Chief Executive Officer of KRIBHCO.
- (xxii) "SHARES" means a share in the share capital of KRIBHCO.

4. AREA OF OPERATION

The area of operation of KRIBHCO shall extend to the whole of the Indian Union. In the interest of its members and its business, KRIBHCO may extend its operations beyond the Indian Union.

5. OBJECTS

- (a) The objects of KRIBHCO shall be to promote the economic interest of its members by undertaking the business of manufacture, production, development, processing, conversion, sale, distribution, marketing, import, export, trade or otherwise deal in, store, or transport, build, construct, fabricate or otherwise turn to account, in India and abroad of chemical fertilisers, bio-fertilisers, man made fibres, detergents, soaps, chemicals, petro-chemicals, refining, hydrocarbons, drugs and pharmaceuticals, industrial products, cement, steel, electronic products, satellite receivers, pesticides, seeds, agricultural machinery and implements and other agricultural inputs/outputs, agricultural items, agro-based industrial items, food products, aquaculture, forestry products, power generation and distribution from conventional or non-conventional energy sources, automobiles, breweries, housing and real estate, construction and fabrication, and to provide/undertake the business of oil exploration, communication and telecommunication, information technology, shipping, trading, banking and insurance and to undertake such other activities which are conducive and incidental thereto.
- (b) In furtherance of these objectives, KRIBHCO may undertake one or more of the following activities:-

- (i) to set up, lease, take on hire, acquire plant or plants for manufacture/ production/ conversion/ processing of all or any of the product including their allied products/by-products, and inputs either directly or in collaboration or as a Joint Venture with any other agencies or persons including other cooperative societies, public sector or private sector enterprises;
- (ii) to undertake production, processing, manufacture, sale, distribution, marketing, import, export and to otherwise deal in agricultural production requisites;
- (iii) to acquire, establish construct, provide and maintain and administer factories, townships, estates, railway sidings, build yards, wells, water reservoirs, channels, pumping installations, purification plants, pipe lines, carriages, storage sheds and accommodation of all description;
- (iv) to manufacture, store, maintain, sell, buy, repair, alter, exchange, let on hire, export, import and deal in all kinds of articles and things which may be required for the purpose of any the business of KRIBHCO or are commonly supplied or dealt in by persons engaged in any such business or which may seem capable of being profitably dealt in connection with any of the business of KRIBHCO;
- (v) to act as warehousing agency under the Warehousing Act and own and construct its own godowns or hire godowns for the storage of fertilisers and other goods;
- (vi) to set up storage units for storing fertilisers and other goods by itself or in collaboration with any other Cooperative Institution or any other agency;
- (vii) to maintain transport units of its own or in collaboration with any other organisation in India and abroad for movement of goods by any form or manner of transportation including by land, sea etc;
- (viii) to acquire, take on lease or hire, buildings, fixtures and vehicles and to sell, give on lease or hire them;
- (ix) to promote and organise other Cooperative Societies in the fields to which KRIBHCO extends its activities;
- (x) to subscribe to the shares of Cooperative and other Institutions, and bodies corporate;
- (xi) to enter into contracts and collaboration for purchase, production, manufacture and marketing, sale and distribution of raw materials, auxiliary products, packing materials, finished products, by-products and other waste products and also enter into Joint marketing and products exchange agreements with other Cooperative Institution, Public Sector Undertaking or any other agency or person;

- (xii) to enter into collaboration with Cooperative or others in India and in foreign countries for machinery and equipment, and for technical know-how, consultancy, designing, engineering, construction, erection, operation and maintenance of fertilisers, chemicals and other Plants; and marketing of the produce of the same.
- (xiii) to provide technical, consultancy and other services to member societies and other agencies and persons;
- (xiv) to set up agricultural farms by purchasing, acquiring or taking on lease of land from Government, Institutions and private agencies for research and development of agriculture;
- (xv) to set up institute for providing training to the farmers and others in the modern and improved agricultural practices, technology and other areas of human resource development;
- (xvi) to provide and arrange for the training of employees of the Cooperative Societies, to promote and develop the sales of fertiliser, other agricultural production requisites and other activities in which KRIBHCO is interested;
- (xvii) to take up such other activities which are incidental and conducive to the agriculture and rural development;
- (xviii) to establish branch offices and sales depots in India and abroad;
- (xix) to carry on agency business of every kind and description connected with the business of KRIBHCO;
- (xx) to undertake research and such other activities as are incidental and conducive to the development of the industry as well as KRIBHCO;
- (xxi) to undertake production and/or processing of agricultural items including mushroom, and agro-based industrial items and food products including sugar, fruit and vegetable processing, starch products, and fibre board, molasses based products;
- (xxii) to set up forestry;
- (xxiii) to undertake Bio-technology based industries;
- (xxiv) to acquire real estates in rural and urban areas and also promote cooperative housing for employees and members.
- (xxv) To promote subsidiary institutions for the purpose of furthering the objects of KRIBHCO; and
- (xxvi) to undertake such other activities as are conducive or incidental to the attainment of main objects of KRIBHCO.

(c) KRIBHCO shall take all steps necessary to:

- (i) Conduct its affairs with Professional Management;
- (ii) Solicit participation of the Cooperative Societies in terms of contribution to equity and participation in the Business;
- (iii) Give effect to the provisions in letter and in spirit of the Multi-State Cooperative Societies Act, 2002 (hereinafter referred to as "the Act") to ensure democratic functioning of the society, economic betterment of members and for greater functional autonomy.

6. MEMBERSHIP

(a) No individual shall be eligible for membership of KRIBHCO. The Membership of KRIBHCO will be open to the following:

- (i) National Cooperative Federations of agricultural credit/ marketing/ processing/ supply and other agricultural Cooperative Societies;
- (ii) Apex Cooperative Federations of agricultural credit/ marketing/ processing/ supply and other agricultural Cooperative Societies at the State and Union Territory level;
- (iii) Regional and District Cooperative credit /marketing/ processing/ supply and other agricultural Cooperative Societies;
- (iv) Primary agricultural Cooperative credit/ marketing/ processing/ supply and other agricultural Cooperative Societies including sugar factories, cane unions, dairy cooperatives, farmers service societies etc;
- (v) Consumers' Cooperatives at various levels engaged in the sale of fertilisers and other agricultural production requisites;
- (vi) Tribal Cooperative Federations and Tribal Cooperative Development Corporations engaged or designed to engage amongst others in the sale of fertilisers and other agricultural production requisites;
- (vii) [***] Stood deleted on coming into force of Multi-State Cooperative Societies Act, 2002;
- (viii) National Cooperative Development Corporation;
- (ix) Govt. of India,
- (x) Other Government Organisations/ Undertakings engaged or designed to engage in the sale of fertiliser or other agricultural production requisites;

(xi) Public Financing Institutions;

(xii) Any Cooperative Society, activities of which are augmentative to the activities and conducive to overall growth of KRIBHCO.

7. SHARE CAPITAL

The authorised Share Capital of KRIBHCO shall be Rs.500 crores consisting of:-

(i) 44,000 shares of Rs.1 lakh each;

(ii) 16,000 shares of Rs.25,000 each;

(iii) 20,000 shares of Rs.10,000 each.

8. (a) KRIBHCO shall quarterly retire the shares held by the members other than cooperatives like Government of India, the National Cooperative Development Corporation and Public Financing Institutions to the extent that the cooperative members subscribe to the equity of KRIBHCO in order to facilitate greater participation and representation of cooperative members in KRIBHCO.

(b) KRIBHCO may retire partially or fully the shares held by the State and Central Cooperative Banks as required by the Reserve Bank of India from time to time, subject to the provisions of Bye-law No.19.

9. The value of share(s) may be paid in one lumpsum or in installments as specified in these Bye-laws. Shares of KRIBHCO shall be allotted, transferred, redeemed and/or repatriated at face value as per the Act.

10. Every member shall subscribe to at least one share. However, the rights of the members will only be available if they achieve the basic minimum level of utilization of the fertilizer/products/ services of KRIBHCO as specified in Bye-law 21(iv). No member shall hold more than such portion of shares as may be prescribed in terms of section 33 of the Act.

11. Every member, excepting the Government of India and the National Cooperative Development Corporation shall pay as admission fee of Rs.1000/- which shall not be refundable in any case.

12. A Share Certificate bearing a distinct number shall be issued, in physical / digital form, for every Share or Shares allotted.

13. APPLICATION FOR ADMISSION AND ALLOTMENT OF SHARES

Application for admission as a member of KRIBHCO shall be made to the Managing Director in the form, if any, specified by KRIBHCO for the purpose.

14. At least twenty-five per cent of the value of shares to be subscribed by the applicant and the admission fee shall be remitted along with the application.
15. Every application for membership shall be disposed of by the Board of Directors within a period of four months from the date of receipt of the application who shall have power to grant or refuse admission. In case of refusal reasons thereof shall be recorded and communicated to the applicant within fifteen days. Provided that if an application is not disposed of within the aforesaid period or the decision is not communicated to the applicant within the period stipulated, the Board of Directors would be deemed to have taken a decision on the expiry of four months refusing admission to the applicant.

16. **CALLS AND FORFEITURE OF SHARES**

- (i) The Board may, from time to time make such call or calls, as it may deem fit, in respect of the amounts remaining unpaid on the shares held by the members. Every member shall pay such call money within the period mentioned in the call notice;
- (ii) If a member fails to pay this amount within the period specified in the call notice, KRIBHCO shall issue another notice informing the member that in the event of non-payment of call money within 30 days of the notice, the shares in respect of which such notice is issued, will be liable to be forfeited to KRIBHCO;
- (iii) If a member does not pay the call amount even within the time specified in the second notice aforesaid, the Board of Directors may, by a resolution, order the forfeiture of the shares in respect of which the notice was issued;
- (iv) Every forfeited Share shall be the property of KRIBHCO and may, at any time, be sold or allotted or otherwise disposed of in such manner as the Board may think fit. Provided, however, that any time before the disposal of shares, the Board may cancel such forfeiture on such terms and conditions as it thinks fit.

17. **TRANSFER OF SHARES**

A member may, with the approval of the Board of Directors, transfer its shares to another member or to a non-member, who is eligible for membership of KRIBHCO. A fee of Rs.100/- per share shall be payable to the Society for each such transfer.

Provided that no such share transfer-fee shall be levied in case

- (i) where Apex Marketing Federation transfers the shares taken by it to other Societies
- (ii) where the shares liquidated, amalgamated or dividend societies are transferred to other societies or
- (iii) where part-paid shares of Societies are transferred to other Societies for the purpose of clearance of backlog of calls in arrears of KRIBHCO.

18. CONSOLIDATION OF SHARES

The Board may, on application by a member:

- (i) approve conversion of shares allotted to it or a part thereof into those of other denominations subject to such conditions as the Board may decide to impose;
- (ii) consolidate all or some of the partly paid shares already allotted to member.

19. WITHDRAWAL, RESIGNATION AND EXPULSION FROM MEMBERSHIP

No member shall be permitted to withdraw any of the shares held by it in KRIBHCO or to resign its membership of KRIBHCO within 5 years from the date on which it was admitted as a member.

20. The letter of resignation of a member shall be addressed to the Managing Director of KRIBHCO and such resignation shall take effect from the date on which the resignation is accepted by the Board of Directors.

21. A member/member society of KRIBHCO shall cease to be a member if:

- (i) its registration is cancelled; or
- (ii) it transfers all its shares to another society; or
- (iii) it is expelled by the General Body.
- (iv) Fails to achieve the basic minimum level of utilization of the fertilizer/products/ services of KRIBHCO for two consecutive years, which shall be 100 MT of Urea or equivalent value of fertilizer/products/ services of KRIBHCO.

Provided such member shall not be held responsible for non-availability or non-allocation, due to any reasons, of the above fertilizer/products/ services.

- (v) The business of the member is in conflict or competitive with the business of KRIBHCO; or
- (vi) The member fails to be represented in three consecutive meetings of the Representative General Body Meetings and such absence has not been condoned by the majority of the members present and voting.
- (vii) The member is in default of any payment to KRIBHCO and such payments have been due.

22. It shall be the duty of each member to work for and further the interest of KRIBHCO and its members; and in no way directly or indirectly act against the interest of KRIBHCO. If a member society and/ or its representatives intentionally does any act prejudicial to the interest of the KRIBHCO, it shall be open to the General Body of KRIBHCO to expel such member for a period of three (3) years provided, however, such member has been given a reasonable opportunity of being

heard. After the above expulsion period of three (3) years, such member shall be eligible for re-admission as member of the Society.

23. LIABILITY

The liability of members of KRIBHCO for meeting any deficit in the assets of KRIBHCO in the event of its being wound up, shall be limited to the extent of their share holdings including unpaid amount.

24. SOURCES OF FUNDS

(a) The KRIBHCO may raise funds from one or more of the following sources:-

- i) Admission Fee;
- ii) Share Capital;
- iii) Loans and Deposits within India and abroad;
- iv) Debentures, Bonds and Commercial papers within India and abroad;
- v) Grant-in-aid and Donation; and
- vi) Profit.

25. MAXIMUM BORROWING LIMIT

- (a) KRIBHCO shall be eligible to receive deposits and loans from members and others and incur liability up to such limits as may be permitted by the Act and the Rules.
- (b) KRIBHCO shall be eligible to issue non-convertible debentures or other instruments to the extent of twenty-five percent of its paid-up share capital.

26. INVESTMENT OF FUNDS

KRIBHCO may invest or deposit its funds in accordance with MSCS Act and Rules framed thereunder.

27. GENERAL BODY

- (i) The final authority shall vest in the General Body of the Society constituted in accordance with these Bye-laws.
- (ii) There shall be Representative General Body of KRIBHCO (hereinafter called the General Body) consisting of:
 - (a) Members of Board of Directors;

- (b) One delegate to be nominated by Apex marketing federations of different States/ Union Territory, National level cooperatives/ organisations like NAFED, NCDC and Government of India;
- (c) Delegates not exceeding 100 are to be elected from amongst the representatives of member societies/ organisations (other than those holding shares of the value of Rs. 5 lakh and above) in each State/ Union Territory at the rate of one delegate for every 100 member societies or part thereof; provided, however, the maximum number of such delegates from any State/ Union Territory shall not exceed 20;
- (d) Delegates not exceeding 500 are to be elected from the category of member societies holding share capital of Rs. 5 lakh and above but less than Rs.1 crore;

Provided that the maximum number of such delegate from any State/ Union Territory shall not exceed 250.

The allocation of number delegates from any State/Union Territory and their group of member societies shall be decided by the Board of Directors on the basis of fertilizer/product/services utilized, average percentage of share capital, and membership of that State/ Union Territory.

- (e) Delegates not exceeding 100 are to be nominated from the member societies holding share capital of Rs.1 crore and above; however, the maximum number of such delegates from any State/ Union Territory shall not exceed 20.

The vacancies under the above clauses shall be reviewed before the reconstitution of every Representative General Body.

- 28.
 - i) The elected delegates shall continue to be members of the General Body of KRIBHCO for a period of five years or till their successors are elected. Any interim vacancy or vacancies may be filled by co-option by the Board of Directors from amongst the representatives of the constituencies concerned and such co-opted delegates shall be the members of the General Body for the unexpired period only.
 - ii) The term of office of nominated delegates shall also be for a period of five years and co-terminus with the period of elected delegates. However, member societies/ organisations eligible to nominate delegates shall have the right to replace their nominees in between and the period of such replaced nominees shall be for the remaining term of the General Body.
- 29. The procedure for election of the delegates to the General Body from various States shall be in accordance with the election regulations framed by the Board of Directors, in accordance with the provisions of the Act and Rules framed thereunder.

30. POWERS OF THE GENERAL BODY

The following, among other matters, shall be dealt with by the General Body:

- (i) Election and removal of members of the Board of Directors, except those nominated by the Government of India,[[***] {Stood deleted on coming into force of Multi-State Cooperative Societies Act, 2002}], and Financing Institutions, provided, member to be so removed has been given a reasonable opportunity of being heard;
- (ii) Amendment or repeal of any existing Bye-law or enactment of any new Bye-laws in accordance with the procedure prescribed in the Act and the Rules made thereunder
- (iii) Consideration and adoption of Annual Report and Statement of Accounts of last year, Review of Activities of current year and approval of programme of Activities of ensuing year presented by the Board of Directors;
- (iv) Consideration of Audit Report; Appointment of Auditors recommended by the Board of Directors from the panel of Auditors approved by the Central Registrar;
- (v) Expulsion of member;
- (vi) Distribution of net profits;
- (vii) Creation of specific reserves and other funds;
- (viii) Approval of Annual Budget;
- (ix) Review of actual utilisation of reserve and other funds;
- (x) Review the list of employees who are relatives of members of the Board or of the Chief Executive;
- (xi) Formulation of code of conduct for the members of the Board and officers;
- (xii) Review of Annual Report and Accounts of Subsidiary Institutions, if any;
- (xiii) Consideration of Audit Compliance Report;
- (xiv) Review of Operational Deficit, if any;
- (xv) Any other matter laid before it by the Board of Directors.

31. MEETINGS OF THE GENERAL BODY

Meeting of the General Body of KRIBHCO shall be held at least once in every Financial Year under a resolution of the Board of Directors.

32. A special meeting of the General Body shall be called within one month of written requisition from at least 1/5th of the Delegates constituting the General Body or from the Central Registrar of Cooperative Societies. The requisition shall state and object for which the special meeting of General Body is to be called.
33. At least 14 days' notice shall be given for the meeting of the General Body to all delegates and nominees, who constitute the General Body.
34. The quorum for the meeting of the General Body shall be 1/5th of the strength of the General Body or 25, whichever is less. If there is no quorum within half an hour from the appointed time, it shall be adjourned to such date and time as the Chairman of the meeting may decide. If there is no quorum at an adjourned meeting, the business of the meeting, excepting the business relating to amendment of Bye-laws shall be proceeded with or without the quorum.
35. The Chairman of the Board of Directors, and in his absence, the Vice-Chairman shall preside over the meeting of the General Body. In the absence of both the Chairman and Vice-Chairman, the Delegates present in the meeting shall elect a Chairman for the meeting from amongst themselves.
36. All questions in the meeting of the General Body other than amendment of Bye-law shall be decided by a majority of Delegates present and voting. In case of equality of votes, the Chairman of the meeting shall have a casting of second vote.
37. For the amendment of Bye-laws, the procedure prescribed in the Multi-State Cooperative Societies Act, and Rules shall be followed. However, a two-thirds majority of the members present and voting at General meeting will be necessary to pass the amendment.

38. **BOARD OF DIRECTORS**

The Board of Directors of KRIBHCO shall consist of:-

Eleven Directors to be elected by the General Body of whom:

(i)

1. Four directors shall be elected by the delegates of Apex Marketing Federations from the following respective States/Union Territories:
 - a) One from Andhra Pradesh, Kerala, Karnataka, Tamil Nadu and Telangana
 - b) One from Chhattisgarh, Gujarat, Maharashtra and Madhya Pradesh states
 - c) One from Delhi, Haryana, Himachal Pradesh, J&K, Punjab, Rajasthan and Uttarakhand
 - d) One from Bihar, Odisha, Uttar Pradesh and West Bengal
2. Two directors shall be elected by the delegates of member-societies, holding shares less than the value Rs.5 lakh, from the following respective States

/Union Territories:

- a) One from Andhra Pradesh, Gujarat, Kerala, Karnataka, Maharashtra, Puducherry, Rajasthan, Tamil Nadu and Telangana
 - b) One from Bihar, Chhattisgarh, Delhi, Haryana, Himachal Pradesh, Jharkhand, Madhya Pradesh, Odisha, Punjab, Uttarakhand, Uttar Pradesh and West Bengal
3. Four directors shall be elected by the delegates of member-societies, holding shares of the value Rs.5 lakh and above but less than Rs. 1 crore, from the following respective States//Union Territories:
- a) One from Gujarat
 - b) One from Andhra Pradesh, Kerala, Karnataka, Tamil Nadu and Telangana
 - c) One from Bihar, Chhattisgarh, Jharkhand, Maharashtra, Madhya Pradesh, Odisha and West Bengal
 - d) One from Delhi, Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttarakhand and Uttar Pradesh
4. One director shall be elected by the delegates from the member-societies holding shares of the value Rs. 1 crore and above.

Provided that no State/ Union Territory shall have more than two Directors.

- (ii) Not more than three persons to be nominated by the Government of India based on equity share capital held by the Central Government i.e. one person if the equity contribution is less than 26%, two persons if the equity contribution is 26% or more but less than 51%; and three persons if the equity contribution is 51% or more of the total issued share capital.
- (iii) [****] Stood deleted on coming into force of Multi-State Cooperative Societies Act, 2002.
- (iv) The Managing Director and six functional Directors including Director (Finance), Director (Marketing), Director (Technical), Director (Human Resources) as may be appointed by the Board as per the requirement of KRIBHCO;
- (v) The Board may co-opt two experts as Directors as per the Act.
- (vi) The Indian Financing agency or agencies, if any, providing long term credit to KRIBHCO shall also be eligible to nominate one Director if there is a provision to that effect in the loan agreement;

39. (i) The term of office of the elected members of the Board of Directors shall be five years.
- (ii) The term of the Members of the Board who are nominees of the Government or any other institutions shall be as indicated from time to time by the Government and such other agencies. However, the term would be co-terminus to the term of the Board and fresh nominations have to be made for the new Board.
- (iii) The term of office of co-opted Director under Bye-law 38 (v) shall be co-terminus with the elected members of the Board.
- (iv) The elected members of the Board shall be eligible for re-election.
40. A casual vacancy in the office of an elected Director shall be filled by the Board of Directors as per the Act amongst the group of States/ UTs defined under Bye-laws no. 38.
41. A member of the Board may at any time, resign from his office by sending his resignation to the Managing Director of KRIBHCO. Such resignation shall take from the day it is accepted by the Board.
42. (i) No Director of KRIBHCO shall be present in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of KRIBHCO, if he or his relative is directly or indirectly concerned or interested in such contract or arrangement.
- (ii) No relative of any of the sitting Directors of the society shall be recruited as an employee including the Chief Executive of KRIBHCO.
43. An elected member of the Board shall vacate his office if:-
- (i) the member society which he represents ceases to be a member of KRIBHCO or is expelled by the General Body;
- (ii) if he acquires any disqualifications prescribed in the Multi-State Cooperative Societies Act and Rules framed thereunder.
- (iii) if he fails to attend three consecutive Board Meetings without showing satisfactory reasons to the Board.

44. **MEETINGS OF THE BOARD OF DIRECTORS**

Meetings of the Board of Directors shall be held at least once in every quarter, provided that the total number of meetings shall not ordinarily exceed six in a year, provided, however, in case of need, there can be more number of meetings. 14 days' notice shall ordinarily be given for the meeting of the Board. The quorum for a meeting of the Board shall be 1/3rd of its total number of elected Directors.

The meetings of the Board shall ordinarily be held at Delhi/ NOIDA but they can

also be held anywhere else.

The Managing Director shall convene the meetings of the Board in accordance with the Act.

45. The Chairman of the Board of Directors, and in his absence, the Vice-Chairman shall preside over the meetings of the Board. In absence of both Chairman and Vice-Chairman, the Director present in the meeting shall elect a Chairman for the meeting from among themselves.
46. All questions in the meeting of the Board shall be decided by the majority of Directors present and voting. In case of equality of votes, the Chairman of the meeting shall have a casting of second vote.

47. **POWERS OF THE BOARD OF DIRECTORS**

The Board of Directors of KRIBHCO shall have all such powers as are considered necessary or expedient for the purpose of carrying out its functions under the Act and Rules. Without prejudice to the generality of foregoing powers, such powers shall include the power:-

- (i) to admit members;
- (ia) To elect the Chairman and Vice-Chairman KRIBHCO from amongst the elected members of the Board in accordance with the directions of the Authority;
- (ii) To authorize convening of meetings of the General Body;
- (iii) To fill any vacancy or vacancies in the Board by co-option;
- (iv) To fill any vacancy or vacancies in the General Body amongst the elected delegates by co-option
- (v) To recommend Annual and Supplementary budget for approval by the General Body;
- (vi) To recommend to the General Body distribution of profit;
- (vii) (a) To appoint, suspend or remove the Managing Director and to approve his salary, allowances, pension, gratuity, retirement benefits and other terms and conditions. However, as long as the Central Government holds fifty one percent or more of the Equity Share Capital of the total shares of KRIBHCO, the salary and allowances, pension, gratuity, retirement benefits and other terms and conditions of service of the Managing Director shall be such as approved by the Central Government under the Act and the Rules.
- (b) To appoint, suspend or remove the Functional Directors and to approve

- their salary, allowances, pension, gratuity, retirement benefits and other terms and conditions of service.
- (viii) To appoint, suspend or remove officers, other than Functional Directors, in Grades 'A' and 'B';
 - (ix) To decide matters relating to withdrawal, transfer and forfeiture of shares;
 - (x) To raise funds for the business of KRIBHCO as per Bye-law no. 24, to determine the terms and conditions therefor and to charge the assets, properties etc. of the Society as security for loans that may be raised by it.
 - (xi) To determine terms and conditions of collaboration with Cooperative and others in India and abroad;
 - (xii) To settle the terms and conditions regarding retirement of share capital contributed by the Government of India, [[***] { Stood deleted on coming into force of Multi-State Cooperative Societies Act, 2002}], National Cooperative Development Corporation and State/Central Cooperative Banks;
 - (xiii) To authorise persons to sign on KRIBHCO's behalf, bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents;
 - (xiv) To appoint trustee or trustees, attorney or attorneys, agent or agents for the business of KRIBHCO;
 - (xv) To refer any claims or demands by or against KRIBHCO for arbitration and to observe and perform the awards;
 - (xvi) To frame, regulations for the election of delegates to the General Body, members to the Board of Directors and for the conduct of meetings of the General Body and Board of Directors as per the Act and Rules framed thereunder;
 - (xvii) To sanction contracts of all values unless otherwise provided for in these Bye-laws;
 - (xviii) To frame regulations regarding recruitments, scales of pay and service conditions of employees of KRIBHCO in consonance with the Act/Rules
 - (xix) To sanction posts for the administration of the affairs of KRIBHCO in Grade 'A' to 'C';
 - (xx) To delegate all or any of the powers, authority and discretion vested in the Board to the Managing Director or other employee or employees of KRIBHCO subject to the ultimate control being retained by the Board;
 - (xxi) To appoint such Committees, Sub-Committees or Standing Committee subject to provision of the Act and delegate to them such powers as may be appropriate.

- (xxii) To place the annual report, annual financial statements, annual plan and budget for the approval of the general body;
- (xxiii) To consider the audit and compliance report and place the same before general body;
- (xxiv) To recommend to the general body the auditors from the panel approved by the Central Registrar, and their remuneration;
- (xxv) To examine and formulate the terms for the formation and continuance of subsidiary institutions and all matters related and incidental to it;
- (xxvi) To review membership in other Cooperatives;
- (xxvii) To acquire or dispose of immovable property;
- (xxviii) To take decisions regarding investment of funds of KRIBHCO in excess of powers delegated to the Managing Director;
- (xxix) To approve payment of Ex-gratia amounts to the employees of KRIBHCO.

48. CHAIRMAN AND VICE-CHAIRMAN

There shall be Chairman and Vice-Chairman elected by the Board of Directors from among themselves. The Chairman and in his absence, the Vice-Chairman shall preside over the meetings of the General Body and the Board of Directors.

- 49.** The term of the office of the Chairman and Vice-Chairman shall be co-terminus with the term of the elected members of the Board unless Chairman or Vice-Chairman ceases to be a Director earlier. In case of any vacancy within this period, the Board shall fill up the vacancy as per the Act.

50. FUNCTIONAL DIRECTORS

- i) The Managing Director and six functional Directors including Director (Finance), Director (Marketing), Director (Technical), Director (Human Resources) as may be appointed by the Board as per the requirement of KRIBHCO. They shall be in whole time employment of KRIBHCO and members of the Board of Directors.
- ii) The Managing Director shall be the Chief Executive of KRIBHCO appointed by the Board in accordance with the Act and Rules. He shall aid and assist the Board of Directors in its Functions. He shall be member of all committees, sub-committee and sub group of the Board of Directors as may be constituted.

51. EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

(a) The Board of Directors shall constitute an Executive Committee consisting of the following:-

(1) Chairman of the Board of Directors;

(2) Vice-Chairman of the Board of Directors;

(3-5) Three Directors representing elected Directors to be elected by the Board of Directors from amongst themselves;

(6-7) [***]Stood deleted on coming into force of Multi-State Cooperative Societies Act, 2002;

(8-9) Two nominees of the Government of India;

(10) One representative of the Financing Institutions or any other Director as thought appropriate by the Board;

(11) Managing Director;

(12) Director(Finance);

(13) Director (Marketing);

(14) Director(Technical).

(b) The term of Executive Committee shall be co-terminus with that of Board of Directors.

52. The Executive Committee shall be responsible for the efficient management of the Society's various establishments/Projects. It shall have the following duties and responsibilities, subject to the overall control and authority of the Board of Directors;

(i) to examine and recommend to the Board the budget estimates;

(ii) to approve all investment proposals of capital nature upto the limit of Rs.15crores;

(iii) to create posts in Grades 'F1' to 'D';

(iv) to authorise execution of documents for and on behalf of the Society and authorise the use of Common Seal of the Society as provided for in Bye-law No.2;

- (v) to grant loans to employees where the amount and repayment terms are not covered under the Service Rules of the Society;
- (vi) to approve all revenue expenses and purchases which exceeds the powers vested in the Managing Director under the Bye-laws;
- (vii) to appoint Trustee or Trustees, Attorney or Attorneys, Agents for the business of KRIBHCO;
- (viii) to refer any claims or demands by or against KRIBHCO for arbitration, perform awards and to negotiate the compromise, upto an amount of Rs.50 lakhs;
- (ix) to raise funds for the business of KRIBHCO and determine the terms and conditions therefor and charge the assets and properties etc. of KRIBHCO as security for loans that may be raised by it provided such powers shall be exercisable with the prior approval of the Government of India, excepting matters related to short-term advances for working capital;
- (x) subject to the approval of the Board, to frame and/or approve regulations, rules, manuals for the conduct, supervision, and management of the business and affairs of KRIBHCO;
- (xi) the Executive Committee shall have such other additional powers and functions as may be assigned to it, from time to time, by the Board of Directors for the efficient management of the Society's various establishments/ Projects.

53.

- (i) The Executive Committee shall meet at such time and place as is considered necessary. The meeting of the Executive Committee shall be convened at the instance of the Chairman or, in his absence, the Vice-Chairman. The quorum for the meeting shall be one-third of its total strength or 5 members, whichever is higher, 3 of whom at least shall be other than whole-time employees of the Society;
- (ii) The Chairman of the Board of Directors shall be the Chairman of the Committee. In the absence of the Chairman, the Vice-Chairman shall preside over the meeting of the Committee. In the absence of Chairman and Vice-Chairman, the Committee shall elect one of its members as Chairman of the particular meeting;
- (iii) All questions arising at any meeting shall be decided by a majority vote of members present and in case of equality of votes, the matter shall be referred to the Board of Directors.
- (iv) 7 days notice shall ordinarily be given for the meeting of the Executive Committee.

54. MARKETING SUB-COMMITTEE

The Board of Directors shall constitute a Marketing Sub-Committee. The Marketing Sub-Committee shall be responsible for the efficient management of the marketing operations of the Society.

It shall have the following duties and responsibilities subject to overall control and authority of the Board of Directors:-

- i) To formulate and recommend to the Board for approval the overall marketing policy for the sale of fertilisers and agricultural inputs;
- ii) To lay down distribution strategy including channels and outlets for the sale of fertilisers and agricultural inputs;
- iii) To recommend to the Board of Directors for approval matters relating to the pricing policy concerning fertilisers and allied products;
- iv) To lay down guidelines and norms for the distribution margins and credits for the sale of the products;
- v) To recommend to the Board of Directors for approval/ changes/ modifications considered necessary in the agreement entered into between Society and its marketing associates;
- vi) To approve the norms and modifications thereof, if any, regarding sharing of the marketing costs between the Society and its marketing associates within the framework of the Marketing Agreement;

Provided also that the Marketing Sub-Committee shall have such other additional powers and functions as may be assigned to it, from time to time, by the Board of Directors for the efficient management of the Marketing operations of the Society.

55. AUDIT AND ETHICS COMMITTEE

The Board of Directors shall constitute an Audit and Ethics Committee consisting of the Chairman, Vice-Chairman, three elected Directors, Managing Director, and Director (Finance).

It will have the following duties and responsibilities subject to the overall control and authority of the Board of Directors;

- a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:-
 - Any changes in accounting policies and practices.

- Major accounting entries based on exercise of judgment by management.
 - Compliance with accounting standards as per the Act.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Observations/comments of the Auditors in draft audit report.
- c) Reviewing the half-yearly and annual financial statements before submission to the Board, and also ensuring compliance of internal control system;
 - d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems;
 - e) Holding periodical discussions with the Auditors about the scope of audit including the observations of the auditors;
 - f) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and reporting structure, coverage and frequency of internal audit;
 - g) Discussion with internal auditors on any significant findings and follow up there on;
 - h) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - i) Review the findings of the concurrent audit observations.

The Audit and Ethics Committee shall have the authority to investigate into any matter in relation to the items falling under its scope of work or referred to it by the Board.

55A PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE COMMITTEE

1. The Board of Directors will constitute a committee on prevention of sexual harassment at the workplace.
2. Terms of reference of this committee shall be:
 - i. the committee shall meet at such time and place as is considered necessary.
 - ii. it shall review the reports submitted to it by the Internal Complaint Committee, and also take necessary steps on the complaint received, if any, directly by it.
 - iii. the meeting of the committee shall be convened at the instance of the

Managing Director.

- iv. one-week notice shall ordinarily be given for the meeting of the committee.

56. POWERS OF MANAGING DIRECTOR

The Managing Director shall exercise the powers and discharge the functions specified below:-

- (i) to have general control over the administration and act as Chief Executive of the Society;
- (ii) to convene the meetings of the General Body/ Board of Directors/ Executive Committee/ or any other Committee/ Sub-Committee of KRIBHCO at the instance of the Chairman or, in his absence, the Vice-Chairman and maintaining proper records for such meetings;
- (iii) to be responsible for the general conduct, supervision, and management of the day-to-day business and affairs of KRIBHCO;
- (iv) to receive all moneys and securities on behalf of KRIBHCO, to make arrangements for the proper maintenance and custody of cash balance and other properties and to invest surplus funds of KRIBHCO as per the provisions contained in the Act, Rules and the bye-laws;
- (v) to endorse and transfer promissory notes, Government and other securities and to endorse, sign, negotiate cheques and other negotiable instruments on behalf of KRIBHCO;
- (vi) to sign all deposit receipts and operate on the account(s) of KRIBHCO with the Banks;
- (vii) to be the officer of KRIBHCO to sue or to be sued on behalf of KRIBHCO and sign all bonds and agreements in favour of KRIBHCO or authorised officers for the purpose;
- (viii) to create, subject to budget provision, posts in Grade "G" and below;
- (ix) to appoint, promote, suspend or terminate employment of personnel up to and including "C" Grade in accordance with the regulations framed by the Board of Directors under Bye-law No.47(xviii);
- (x) to determine powers, duties, and responsibilities of the employees of KRIBHCO;
- (xi) to institute, conduct, defend, compound or abandon any legal proceeding by or against KRIBHCO or its officer or otherwise concerning the affairs of KRIBHCO and also to compound and allow time for payment or satisfaction of any claims of demand by or against KRIBHCO;
- (xii) subject to the regulation, if any, which may be framed by the Board of

Directors, to enter into negotiations and sanction contracts during the construction phase and revenue expenditure; and to rescind and vary such contracts and do all such acts, deeds and things in the name of and on behalf of KRIBHCO in relation to any of the matter aforesaid for the purposes of KRIBHCO up to the value of Rs.2 crores at a time;

- (xiii) to delegate all or any of the powers, authorities, and discretions vested in him to any employee or employees of KRIBHCO subject to the ultimate control and authority being retained by him;
- (xiv) to make arrangements for the proper maintenance of various books and records of the society to arrange correct preparation and timely submission of periodical statements and returns to various agencies, as is required;
- (xv) to assist the Board of Directors in the formulation of policies, objectives, and planning; and
- (xvi) to furnish to the Board of Directors periodical information necessary for apprising the operations and functioning of KRIBHCO;
- (xvii) To present the draft annual report and financial statements for the approval of the Board;
- (xviii) To appoint Occupier of factories under the Factories Act, 1948;
- (xix) To get audit/concurrent audit conducted by the auditors appointed from the panel of auditors approved by Central Registrar.
- (xx) Any other matter as may be delegated or directed to be dealt with by the General Body or the Board of Directors.

57. MARKETING OF PRODUCTS

- a) The Board of Directors shall draw up an annual programme for allocating the products of KRIBHCO to various States/Union Territories. This programme shall, however, be subject to season-wise allocations considering Government regulations, if any. The season-wise allocations thus made shall be offered to Apex Cooperative Marketing Society or to any other organization as may be determined by the Board of Directors. In the event of any allottee not accepting the allotment made to it, within a specified period, Managing Director shall re-allocate the products.
- b) in respect of products other than fertilisers manufactured by the Society in India and marketed under ECA, the marketing policies shall be as laid down by the Board of Directors from time to time.

58. DISTRIBUTION OF PROFITS OF THE SOCIETY

Subject to the provision of the Act and Rules framed thereunder, the net profits of KRIBHCO shall be distributed by the General Body as follows:-

- (i) an amount of at least 25% shall be carried to Reserve Fund;

- (ii) credit such portion, as prescribed in the Act and Rules, to the Cooperative Education Fund maintained by the National Cooperative Union of India;
- (iii) an amount of atleast ten percent shall be transferred to the Reserve Fund for meeting unforeseen losses.
- (iv) the remaining amount may be allocated to any or all the purposes detailed below:-
 - a) dividends on Shares, subject to a ceiling of maximum 20% (twenty percent) in a year;
 - b) rebate to members on purchases;
 - c) building, education, charitable or any other funds;
 - (d) payment of ex-gratia to the employees of KRIBHCO in accordance with the scheme approved by the Board.
 - (e) The undistributed profits shall be added to the Reserve Fund of KRIBHCO.

58A

CO-OPERATIVE INFORMATION OFFICER (CIO)

1. Managing Director of KRIBHCO shall appoint a Co-operative Information Officer to provide the information relating to affairs and management of KRIBHCO to the members of KRIBHCO.
2. Any member of KRIBHCO can make an application fee, other charges for supplying the information and manner of payment shall be such as prescribed under the provisions of the Right to Information (Regulation of Fee and Cost) Rules, 2005.
3. The Co-operative Information Officer shall, within 30 days from the date of receipt of such application either provide the information or reject the application specifying the reason to do so.
4. Any member of KRIBHCO whose application has been rejected may prefer an appeal to the Cooperative Ombudsmen under the Act.
5. Information requested by the members of KRIBHCO from the CIO shall be confined to the information falling under the disclosure norms as specified below:
 - a) Membership related queries such as dividend paid by KRIBHCO, information about share capital of the Society.
 - b) Copy of audited accounts and annual report.
 - c) Information about marketing offices/plant location of KRIBHCO.

- d) Copy of KRIBHCO's Bye-laws.
6. Notwithstanding anything contained in these Bye-laws, there shall be no obligation on CIO to provide any information concerning the following:
 - a) Disclosure of which will prejudicially affect the security, strategic, scientific and economic interest of KRIBHCO.
 - b) Which has been expressly forbidden to be published by any court of law or tribunal or the disclosure which may constitute contempt of court.
 - c) The disclosure of which would cause a breach of privilege of any law.
 - d) Commercially confidential trade secret and intellectual property.
 - e) Information the disclosure of which would endangered the life and physical safety of any person, plant of KRIBHCO or any other entity.
 - f) Information which relates to personal information of an individual.
 - g) Information which may cause unwarranted invasion of privacy of an individual.
 - h) Information which is not related to the member.
 - i) Information which is personal in nature pertaining to any other members, employees, and third party information.
 - j) Information which is covered between KRIBHCO and any other third party by any confidentiality agreement and non-disclosure.
 - k) Information related to any other commercial entity.
 - l) Information which is prohibited by any other Law.
 - m) Any other matter decided by the Board of Directors from time to time.
59. In the event of a conflict between the Bye-laws of KRIBHCO and those of the affiliated Societies, the Bye-laws of KRIBHCO shall prevail.
 60. No act of the General Body, the Board of Directors or the Executive Committees or other committees shall be deemed invalid by reasons of any defect in the election of the member thereof or by reason of any vacancy therein not having been filled in accordance with these Bye-laws.
 61. The society shall maintain a contributory provident fund for the benefit of its employees, in accordance with the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.
 62. The recruitment of the employees at various levels shall be done through a transparent, objective and adequately publicized competitive process as per the

educational and experience criteria specified in the recruitment manual of KRIBHCO, approved by the Board of Directors from time to time.
