



Cooperative Bylaws

Basis of Framing Model Byelaws

- **Attempt to incorporate enabling features of**
 - 97th Constitutional Amendment
 - Producer Company Act
 - Mutually Aided Cooperative Societies Act
 - Companies Act 2013

Process being followed

- Preparation of Basic Structure
- Scrutiny by internal committee of NDDB
- Sharing with stakeholders
- **Suitable state specific amendments**
 - ▣ Without disturbing the underlying principles
- Finalising Model bylaws and state specific bylaws



Key Provisions proposed

Active Membership

- ❑ **Patronage Criteria expected of members :**
 - ❑ Minimum number of days and volume of milk to be supplied
 - ❑ Flush to Lean ratio
 - ❑ Loss of voting rights on non fulfillment
 - ❑ Discontinuation of membership for continuous default

Active Membership

- ❑ **New Membership during fixed interval**
- ❑ **Discouraging Non-member pouring**
 - ❑ No patronage benefits before registration
 - ❑ Deemed membership beyond stipulated period
- ❑ **Termination of membership for non participation in AGM**

Member Economic Participation

- ❑ Matching Equity contributions to Milk Pouring
- ❑ Appreciation of Share Capital
- ❑ Appropriation of Share Capital to member entities
- ❑ Transfer of shares within members
- ❑ Refund of shares at book value
- ❑ Patronage based voting for federation

Specific Governance Features



- Disclosure norms for Board Members
- Qualification of Managing Director
- Annual Performance Report of Board members
- Distinction- Responsibility of Board and MD
- Co-option of expert members
- Fiduciary responsibility and avoiding personal bias

To take process forward.....

- Federations/Unions to assign a officer..
- NDDDB officers to get in touch....
- Assessment with reference to state act/rules
- Final recommendations- state specific bylaws
- State wise workshops for propagation and further finalisation



Thank you