

The Assam Agricultural Farming Corporation Rules, 1973

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Rule

THE-ASSAM-AGRICULTURAL-FARMING-CORPORATION-RULES-1973 of 1973

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1. Short title.

- These rules may be called, the Assam Agricultural Farming Corporation Rules, 1973.

2. Definitions.

- In these rules unless there is anything repugnant in the subject or context all words and expressions shall have the same meaning as defined in the Ordinance.

3. Approval of Agriculturists to form an Agricultural Farming Corporation.

- The State Government may follow such procedure as may be determined by it from time to time for the purpose of approval of the Agriculturists who may form an Agricultural Farming Corporation together with the State Government or for admission of new Agriculturist members to a Corporation as the case may be.

4. Manner of holding first meeting.

(1) The State Government's representative nominated for each District, Subdivision or Circle, as the case may be, shall call a meeting of the Agriculturists intending to join an Agricultural Farming Corporation and duly approved by the State Government, by intimating clearly the place and time of

such meeting as well as the business to be conducted in that meeting.(2)In the said meeting the State Government representative shall preside.(3)A Complete list of intending Agriculturist members of the proposed Corporation and others present in the meeting shall be drawn up and signature of those persons will be obtained in token thereof.(4)The objects of the meeting will be explained by the State Government's representative to the Agriculturists intending to join the Corporation.(5)The meeting may also be addressed by such other persons from among the agriculturists present or other persons as may be allowed to be present by the State Government as its representative.(6)The proposed Memorandum of Association of the Corporation will be read out in detail and explained to the agriculturists present and will later on be placed formally for adoption by the meeting.(7)At least 50 Agriculturists present should approve the Memorandum of Association and agree to abide by its terms and conditions before the Memorandum of Association may be taken to be adopted by the meeting.(8)On the adoption of the Memorandum of Association the State Government representative and at least one-fifth of the Agriculturists present in the meeting shall sign three copies of the Memorandum of Association so adopted in the meeting.

5.

(1)After adoption of the Memorandum of Association, the State Government representatives shall collect from the agriculturists present and adopting the Memorandum, ordinary share capital at the rate of Rupees ten per person and also an admission fee of not less than Rs. 1 per member as may be prescribed for time to time by the Controller.(2)The State Government's representatives shall issue a receipt to the agriculturists contributing to the share capital and paying admission fee under sub-rule (1) above.(3)The money thus collected will be handed over to the Chairman of the Corporation after it is formed.

6. Registration of Memorandum.

(1)Three copies of the memorandum of Association of the as duly adopted in the meeting will be sent to the Controller by the statement Government's representatives.(2)The Controller shall examine whether the Memorandum of Association of the proposed Corporation conforms to the Ordinance and these rules and whether the proposed Corporation can be an economically viable quantum capable of providing adequate income to the agriculturist members. He will also examine whether the State Government have approved the initial set of members to be admitted into the Corporation and have agreed to provide 51 percent of the ordinary share capital of the Corporation.(3)The Controller may send back the Memorandum of Association to the sender or seek such clarification as he may require which the State Government's representatives who attended the meeting will be obliged to provide, if necessary, after further discussion in a meeting to be called with the proposed agriculturist members of the Corporation.(4)The Controller after satisfying himself that the Memorandum and all other matters as mentioned at sub-rule (2) are in order, registered the memorandum by an endorsement on the body of all the three copies of the Memorandum. He will also issue a certificate to the effect that the Memorandum has been registered.

7.

(1) One original copy of the Memorandum as duly endorsed by the Controller along with an original copy of the certificate issued by the Controller will be sent to the State Government's representative. (2) The Memorandum of Association so received from the Controller shall be handed over by the State Government's representatives to the Chairman of the Corporation as and when nominated by the State Government. These two documents will be carefully preserved by the Corporation and the certificate will be mounted and displayed in the Registered Office of the Corporation.

8.

On the date of memorandum of Association of a Corporation is registered and a certificate to this effect is issued by the Controller he shall at the same time intimate the State Government that a Corporation has been so registered and ask the State Government to form the first Board of Directors under Section 12(2) of the Ordinance,.

9. Form and content of Memorandum.

(1) The Memorandum of Association of a Corporation shall contain the following- (i) The name of the Corporation; (ii) The location of its Registered Office in which the business of the Corporation shall be transacted; (iii) The object of the Corporation in detail stating what the Corporation purposes to do with the property which will come to its possession and how such property will be used for the benefit of agriculturist members and such other matters; (iv) The authorised ordinary share capital of the corporation; (v) The provisions "if any" for preference share capital. (vi) The number of shares to be held by various members of the Corporation; (vii) The number of members on the Board of Directors of the Corporation; (viii) The regulations and procedure that will be followed by the Corporation in the conduct of its business. (ix) Such other matters as are relevant to the functioning of the Corporation. (2) A Memorandum of Association unless otherwise approved by the State Government, shall be according to a model prepared by the Controller.

10. Alternation of memorandum.

(1) A Memorandum of Association or Corporation shall not be altered except by adoption of a resolution in an annual or special general meeting of the Corporation for which a special notice shall be given to the members. (2) Every such alternation shall taken effect only after it is duly approved and registered by the Controller who shall follow the same procedure for this purpose as detailed for registration of a memorandum. (3) Every such alternation shall be duly appended to the original Memorandum of the Corporation retained at the Corporation.

11. Share Capital.

(1)A Corporation shall issue soon after its registration, formal share certificates in such form as prescribed in the Memorandum in respect of ordinary as well as preference shares to each of the members.(2)A corporation shall maintain a register of Share-holders in such form and containing such particulars as may be prescribed by the Controller

12. Transfer of Shares.

(1)No shares held by any person in a Corporation will be transferred or otherwise disposed of except according to the following provisions.(2)On the death of an agriculturist member, any member of the family of the deceased may undertake to join the Corporation and abide by its terms and conditions and on being admitted to be a member in place of the deceased he may take over the shares of the deceased.(3)If, however, there is a dispute between two or more members of the family of the deceased as to who will join the Corporation, the legal heir of the deceased, nominated under these Rules will be allowed to join.(4)If more than one person is declared as legal heir the deceased member shall be deemed to have been removed from the membership of the Corporation.(5)Until such time any member of the deceased joins the Corporation the Corporation shall manage the land or property allowed for the use of the deceased member directly or may allow the wife or husband, as the case may be, of the deceased to manage the same.(6)If the Corporation so manage the affairs of the property or land allowed for use by the deceased it shall pay to the family of the deceased such sums as may be derived from the sale proceeds of the produce after deducting the cost of cultivation or production.(7)Any unauthorised disposal or transfer of shares shall render the shares liable for forfeiture.

13.

New members to a Corporation shall be admitted only with the prior approval of the State Government. A new member joining a Corporation should agree to abide by all the terms and conditions of the Corporation in a formal application to be submitted in this regard to the Corporation, in the form prescribed by the Controller.

14. Rights and duties of members.

- The agriculturist members of a Corporation shall have the following duties and rights-(1)Rights. - Full right for the use of the land or property allowed to him subject to such general restrictions and terms and conditions as may be imposed by the corporation.(2)Full and equal rights with other agriculturist members to participate in the functioning of the Corporation or the social or community aspects of the life in the area of the Corporation subject to the provisions of the ordinance, these rules or the Memorandum of Association or the bye-laws or general orders that may be issued by the Corporation.(3)Each agriculturist member shall be entitled to receive without any discrimination all common benefits such as irrigation, inputs or credit or services from the Corporation-(1)Duties. - To abide by the provisions of the ordinance, these Rules, Memorandum of

the Association bye-laws of the Corporation or such other general orders as may be issued by the Corporation.(2)To abide by the code of conduct that may be prescribed by the Corporation for the purpose of peace, harmony and healthy community life in the area of the Corporation.(3)To reside in the homestead area allotted to him by the corporation inside the Corporation's land. Residence in the area of the Corporation will thus be compulsory for all agriculturist members.(4)To dispute of any agricultural produce specified by the Corporation only through the Corporation.(5)An agricultural member shall unless specifically exempted from doing so, pay all the dues, charges levied on him for common services made available by the Corporation, whether or not he has been able to use the same. An Agriculturist member shall also pay other specific charges as may be levied on him by the Corporation for specific services made available to him. All these dues shall be payable by him to the Corporation regularly and in the due time.(6)To act in a manner conducive to the community life in the area of the Corporation and the proper and health growth of the Corporation.(7)Not to part with land or property allotted for his use by the Corporation for his use either by transfer, mortgage or otherwise, not allow any open else except his own family members to work on such property or land. This will no, however, affect his employing persons from outside the Corporation for specialised service which cannot be done by ordinary labour or which are into provided by the Corporation.(8)No member shall erect or construct any buildings or structures or otherwise reshape or modify the land or property allotted for his use except with he specific prior concurrence of the Corporation.

15. Appointment of first Board of Directors.

(1)On receipt of intimation from the Controller that a Corporation has been registered duly by him the State Government shall without loss of time nominate a Board of Directors and its Chairman under Section 12(2).(2)The Board of Directors shall come into office from the date its first meeting is held.(3)The first meeting of the Board may be held at the instance of the Chairman, who may call a meeting at such place and time as he may decide by giving a notice of at least ten days to other members of the Board.(4)The meetings of the Board shall ordinarily be held in the Registered Officer of the Corporation.

16. Elections of Director.

- In the first annual general meeting of the Corporation such number of Directors as may be decided by the State Government will be elected from among the agriculturist members.(2)The Name of each candidate for such election shall be proposed by an agriculturist member present in the general meeting and seconded by another.(3)If the number of candidates proposed is either equal to or less than the number of Directors to be elected all the persons proposed shall be declared duly elected by the Chairman of the meeting.(4)If the number of candidates proposed is is more than the number of seats to be filled, an election shall be conducted by secret ballot by Chairman of the meeting and those polling the maximum number of votes in the order of priority shall be declared elected to fill the seats. Provided that in such a secret ballot the members proposing and seconding any candidate as well as the candidates himself shall not be allowed to vote.(5)For filling vacancies in the Board from among the elected Directors a similar procedure as detailed above shall be followed.(6)A Director elected in an annual general meeting shall assume office from the date of the annual

general meeting in which he is elected.

17. Election of Chairman.

- The Chairman of Corporation nominated by the State Government under Section 12(2) shall retire from the office of the Chairman at the first meeting of the Board after the annual general meeting in which the elected Directors assume office.(2)In the first Board meeting to be called after such an annual general meeting which shall be so called within 15 days of such annual general meeting, a new Chairman will be elected.(3)The outgoing Chairman will preside over the meeting of the Board for the purpose of the election unless he is himself a candidate for the office of the Chairman.(4)If outgoing Chairman is himself a candidate for the office of the Chairman any other State Government nominee of the Board who is not a candidate shall be elected by the Board to preside over the meeting for the purpose of election of the Chairman.(5)The procedure to be followed for the election of the Chairman will be the same as detailed in Rule 17 above for election of Directors in the annual general meeting.(6)After a Chairman of the Board is elected in the manner detailed above, he shall assume office and conduct the rest of the proceedings of the Board meeting.

18. Meeting of the Board.

(1)The Board's meeting shall ordinarily be held once in every month preferably on the second Tuesday in each month. If the second Tuesday is a holiday the next working day will be the day for the meeting.(2)No notice will be issued for the Board's meetings to be held in the ordinarily course in the Second Tuesday of every month.(3)Board meeting may also be held on other occasions to consider important and emergent items of business. For such Board's meeting at least seven days notice shall be given to all the Directors.(4)An agenda will be framed in advance for each Board's meeting and intimated to all the members of the board.(5)Admits other items in the agenda for a Board's meeting, the following shall be discussed-(i)The progress of various schemes of the Corporation;(ii)The financial position of the Corporation as at the end of the last month;(iii)Important activities of the Corporation during the previous month;(iv)Important schemes of the Corporation for the current month;(v)Important reports about activities of agriculturist members in the Corporation;(vi)Other important developments of the Corporation;(vii)All other items as may be necessary to be discussed in the Board's meeting according to memorandum.(6)Decisions of the Board shall be ordinarily taken on the basis of a voice vote after attempts are made to explain to the Directors and make them fully understand the significance of various decisions to be arrived at. If, however, there is a demand for division decisions shall be taken by secret ballot.(7)The Chairman of the Board shall preside in all the meetings of the Board. In the absence of the Chairman in any Board's meeting the Directors present may elect one among themselves to conduct the meeting.

19. Adjournment due to want of quorum.

(1)If in any meeting of the Board or annual general meeting no quorum is present within one hour of the time fixed for the meeting, the meeting shall stand automatically adjourned to the same day and at the same time and place.(2)All decisions taken in the adjourned meeting under the provisions of

Section 20 of the Ordinance, shall be communicated to the State Government for its approval without which none of the decisions will take effect.

20. Annual general meeting.

(1)An annual general meeting shall be called by giving due notice of at least 30 days to all members.(2)The business that will be transacted in the annual general meeting are,-(a)Business as mentioned in the Ordinance [Section 17 (1)];(b)Appointment of profits of the Corporation;(c)Other items as may be requisitioned by agriculturist members or by the State Government.(3)The Chairman of the Board of Directors, shall preside in an annual general meeting whether or not he is a member of the Corporation.(4)In the absence of the Chairman the members present shall elect from among themselves any person to be the Chairman and such person shall conduct the annual general meeting.(5)Voting in the annual general meeting shall be by voice vote.

21. Special General Meeting.

- A special general meeting can be held either on a decision of the Board of Directors or an a direction from the State Government or on a requisition submitted by at least one-fifth of the agriculturist members of the Corporation to transact such business as may be decided by the Board, directed by the State Government, or requested for in the requisition of the agriculturist members, as the same may be :(2)The Secretary of the Corporation shall ordinarily issue, within seven days of the decision of the Board or direction received from the State Government or a requisition from the agriculturist members, calling a special meeting giving fifteen days notice to all the members.(3)A special general meeting shall be held to discuss the affairs of the Corporation if for three consecutive months, the Board's meeting could not be held.(4)No special general meeting shall, however, be held on the decision of a Board or requisition received from the agriculturist members if the Controller or the State Government in the meantime direct that such a special general meeting need not be held.(5)The procedure to be followed in the special general meeting shall be the same as laid down for the annual general meeting under Rule 21(1) above.

22. Powers and functions of Controller.

- The Controller shall discharge the following functions and powers-(i)Registration of the Corporation;(ii)Registration of amendments of a Memorandum;(iii)General superintendence and guidance to a Corporation.(iv)Inspection of a Corporation and its functions;(v)Discharge such other functions as may be allotted to him from time to time by the State Government.

22A. Constitution of a State Level Co-ordination Committee.

- A State Level Co-ordination Committee with a Chairman to be nominated by the Government shall constituted with the following members, namely-

(a) The Secretary, Agriculture,

Member-Ex-Officio

(b) The Secretary Revenue,	Member-Ex-Officio
(c) The Secretary, Irrigation,	Member-Ex-Officio
(d) The Director, Agriculture	Member-Ex-Officio
(e) The Director Rural Development	Member-Ex-Officio
(f) Two Representatives from amongst the Chairman of Farming Corporations as nominated by the Government	Member-Ex-Officio
(g) Two non-official to be nominated by the Government having expertise knowledge in co-operation Farming,	Member-Ex-Officio

The State Level Co-ordination committee shall hold its meeting at the State Headquarters at least twice a year and shall perform such functions as may be notified by Government from time to time.

23. Decisions requiring prior approval of the State Government.

- The decisions of the Board or a general meeting of a Corporation on the following matters shall not be valid unless approved by the State Government - (i) Amendment of the Memorandum; (ii) Admission of new members; (iii) Disposal of any property of the Corporation; (iv) Investment of Corporation in other bodies or ventures; (v) Declaration of dividends by the Corporation; (vi) Payment of compensation; (vii) Decisions taken at any adjourned board or General meeting vide Rule 20 above; (viii) Appointment of Secretary-cum-Manager vide Section 28 of the Act; (ix) Admission of any heir of a deceased member vide Rules 12 above; (x) Such other matter as may be decided by the State Government from time to time.

24. Maintenance of Books of accounts, etc.

(1) The balance-sheet and accounts of a Corporation shall be maintained as directed by the Controller. (2) The Controller shall appoint an auditing agency for auditing the accounts of a Corporation and fix the remuneration for such auditing agency which shall be payable by the Corporation.