

MEMORANDUM OF INSTITUTION

1) Name of the Institution shall be:

2) Registered Address:

The Registered Address of the Institution shall be

Village/Town
Post Office
Taluqa
District
State

(If there is any change in the Address, it shall be intimated to Khadi and V.I. Commission as well as the Registering Authority of the Institution within 15 days from the date on which the change was made).

3. Area of Operation: The area of operation of the Institution shall be Taluqa/Block/Mandal/of _____ District

4. Year: The Financial year of the Institution would be from 1st April to March 31st of succeeding year.

5. Objects:

The objects for which the Institution is established shall be as follows:

- a) To improve the economic, moral and social standards of villagers in the area of operation of the Institution.
- b) To alleviate poverty and bring about better living conditions, mutual cooperation and unity among the villagers and in general rural development by implementing KVI Programmes.
- c) To start, encourage, assist and carry on such other activities which are incidental for implementation of KVI Programmes.
- d) For furtherance of all or any of the aforesaid objects, the institution shall have authority-
 - i) to solicit obtain or accept subscription, donation, grants, gifts, bequests and trusts from any person, firm, Bank or local authorities or corporate bodies like Khadi and Village Industries Commission

and/or State KVI Boards and/or any State KVI Board and/or any institution and/or the Union/State Government.

- ii) To acquire by gift, purchases, exchange, lease on hire or otherwise howsoever, any land, building, easements and any property movable and/or immovable and for any estate or interest for the furtherance of all or any of the objects of the institution.
 - iii) To build, construct and maintain houses, structures or buildings and alter extend improve, repair, enlarge or modify the same including any existing buildings (and or provide and equip the same with light, water, drainage furniture, fittings, instruments, apparatus and appliances) and all other necessities for the use to which such buildings is to be put up or held.
 - iv) To sell, manage, transfer, exchange, mortgage, demise, lease or let out dispose of or otherwise deal with the properties whatever (movable or immovable) belonging to the Institution.
 - v) To borrow and raise moneys with or without security or mortgage, charge, hypothecation or pledge over all or any of the immovable or movable properties belonging to the Institution or in any other manner whatsoever.
 - vi) To open and operate accounts in Bank/s or to deal with bank/s in any manner whatsoever required, for furtherance of objects of the institution.
 - vii) To open and conduct branches and to undertake such other activities for furtherance of all or any of the objects of the institution.
- a) to do all other lawful things incidental or conducive to the attainment of any other objects of the institution and to incur necessary expenditure thereon.
 - b) The profits of the institution shall be utilized in furtherance of the objects of the Institution and shall not be distributed amongst the members.
- 6) The management of the affairs of the institution shall be entrusted to the duly constituted managing committee as provided in the rules and regulations of the institution from time to time.
- 7) The following persons shall constitute the first Managing Committee to administer the affairs of the institution.

Sr. No	Name	Designation	Occupation & Address (outside the institution)
1			
2			
3			
4			
5			
6			
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8) We, the several persons whose signatures are affixed hereunder for organizing this institution namely_____(Name of the Institution)_____pursuant to this memorandum and are desirous of getting the institution registered under Societies Registration Act XXI of 1860.

Sr. No	Name	Signature	Designation and address
1			
2			
3			
4			
5			
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RULES AND REGULATIONS:-

These rules shall be called rules of _____.
For these rules, unless there is something repugnant to the context or meaning thereof, shall mean and include all the rules of the _____ (name of the Institution) that may be framed from time to time or altered by a special resolution of the General Body.

(1) DEFINITION

- a. 'Institution' means _____
(Name of the Institution)
- b. "KVIC" means "Khadi & Village Industries Commission established under KVIC Act, 1956.
- c. "State Board" means "State Khadi & V.I. Board" established under KVIC.
- d. "Khadi" means "Any cloth woven on handlooms using cotton, silk and woollen yarn spun by hand in India or from a mixture of the two or all of the above.
- e. "Village Industries" means "A Village Industry as defined under Section 2(h) of the KVIC Act, 1956".
- f. Office bearers shall include
Chairman/Vice-Chairman, President/Vice-President, Secretary, Treasurer and Other members of the Managing Committee of the Institution.
- g. "Year" means "The financial year commencing from 1st April and end on 31st March of the succeeding year".
- h. "Person" "Shall mean and include individuals, firms,

societies, Banks, Clubs, associations, corporations and incorporate bodies.”

i. Words imparting the

‘Masculine’ gender and ‘Singular’ number shall respectively include the ‘feminine gender and ‘Plural number’ and vice versa.

(2) MEMBERSHIP:-

Any person male or female fully qualified for membership and agree to abide by and strive for attainment of the aims and objects of the _____ could be admitted to the

(Name of the Institution) membership of the Institution.

There shall be three types of members of the Institution.

- I) Patron Members
- II) Life Members
- III) Ordinary Members

A separate register for all classes of members shall be maintained.

(4) QUALIFICATION FOR MEMBERSHIP:-

I) Patron Members:-

Any person dedicated to constructive work and who is having belief in the aim and objects of the _____ (name of the institution) and willing to serve in the field in future and contribute Rs.2,000/- or more or donates property worth Rs.2,000/- or more to the _____ (name of the institution) qualified for admission as Patron Member.

II) Life Members:-

Any person or body dedicated to constructive work and who is having belief in the aims and objectives of the _____ (name of the institution) should contribute Rs.1,000/- or more in cash or donate property worth Rs.1,000/- or more within a period of one year can be admitted as Life Members.

III) Ordinary Members:-

Artisans or individuals who are engaged in the field of Khadi and Village Industries; who have faith in the aims and objects of the _____ (name of the institution) may be admitted to membership of the institution on payment of Rs.5/- as entrance fee and Rs.20/- as annual subscription.

- a. should be above 18 years in age.
- b. should not be one who is incapacitated by law to enter into contractual obligations.
- c. should be a wearer of Khadi or one agreeable to become a wearer of khadi on admission to membership.
- d. should be one willing to work, for the attainment of the aims and objects of the _____
- e. Persons, desirous of becoming members of the _____ shall be sign the application form prescribed for the purpose and pay the amount prescribed for the category of membership applied for as specified in rule 4(i), (ii) and (iii) and submit the form to the secretary of the institution. The Secretary shall place the same before the Managing Committee whose decision on admission of members shall be final.

(5) CESSATION AND REMOVAL OF MEMBERSHIP:-

A person shall cease to be member of the _____

- a) On his death.
- b) On his resignation in writing and acceptance of the same by the Managing Committee of the _____(name of the institution)
- c) On his being mentally disabled or incapacitated to enter into contractual obligation.

- d) On his failure to pay the subscription within the due period.
- e) Any person whose activities are considered detrimental to the interests of the institution can be removed from the membership of the _____ (name of the institution) be a decision of the majority of the members present and voting at the meeting of the General Body of the institution specially convened for the purpose. The quorum for such meeting shall be two thirds of the total number of members or 20 whichever is less.
- f) Those members whose names appear on the list of the members of the _____ as on 31st January of the calendar year shall be entitled to vote in the General Body meeting.
- g) A separate register for all classes of members shall be maintained.

(6) **FUNDS:-**

The _____ shall raise its funds.

- a) By membership fees
- b) By entrance fees.
- c) By grants, donations and contributions from members or public
- d) By raising loans for such period and any such rate of interest as may be decided by the Managing Committee of the _____.
- e) By seeking financial assistance under recognized scheme for development of Khadi & Village Industries as loans and grant and subsidies from Khadi & V.I. Commission, Central Government and other corporate bodies established by Central and State Government, and other corporate bodies established by Central and State Government banking institutions and other financing agencies/institutions for the development of Khadi and Village Industries.

(7) **GENERAL BODY:-**

The General Body shall comprise of all the three types of members as aforesaid and shall meet at least once in a year to transact business and lay down guidelines for conducting the affairs of the _____ (name of the institution).

(8) **QUORUM FOR GENERAL BODY:-**

Two fifths of the total number of members on the rolls of the _____ as on 31st January of the calendar year _____ shall form the quorum for the General Body Meeting.

The following among other are the functions of the General Body.

- a) To elect the Managing Committee
- b) To appoint a Secretary and to fix his honorarium
- c) To appoint person to audit account of the _____
- d) To receive from the Managing Committee the report of the working of the _____ during the proceeding financial year together with statements showing the receipt and expenditure accounts and about the liabilities and profit and loss account for the year.
- e) To consider the audit reports and any other communications received from the Commission/State Board or from financial agencies in respect of the matters concerning the business of the _____.
- f) To consider amendments to rules and regulations.
- g) To lay down policies.
- h) To consider application for admission to membership
- i) To consider any other business brought forward.

(9) The annual general meeting of the General Body shall be called within three months from the closing of the financial year and shall transact the business as per Memorandum of Association and rules and regulations of the _____.

a. In case of the annual general body meeting 14 days notice shall be given by publication of notice which shall specify the date, hour and place fixed for holding the meeting and shall state the business to be transacted at the meeting.

b. The notice of a General Body meeting shall be given :-

c. by circulation of the notice or copies thereof among all the members of the _____ and getting signature of members thereon as token of having received such notice or intimation

d. by sending a notice by post under certificate of posting.

(10) Two fifths of the total number of member shall form a quorum. In the absence of the quorum meeting shall be adjourned and in adjourned meeting if there is no quorum then the business shall be disposed of without a quorum.

(11) The Secretary shall be responsible for calling General Body Meeting. If the Chairman/President considers that the Secretary has without valid reasons failed to call the General Body meeting as required under rules, he may himself call the meeting.

(12) On a request in writing made by 6/5th of the members the Secretary/Chairman shall call a General Body meeting. In the event of the Secretary/Chairman failing to call for the General Body Meeting for a specific purpose then the members themselves can call for the requisitioned meeting by designating one of them as conveyor for the purpose.

(13) At all General Body Meeting the President/Chairman of the institution shall preside and transact the business. In the absence of the President, Vice-President, Vice-Chairman shall preside and in the absence of both the members present shall elect a person to preside over the meeting and transact business.

(14) **MANAGING COMMITTEE:-**

The Managing Committee shall consist of not less than 9 and not more than 15 selected members, two fifth members of Managing Committee shall form the quorum. The Chairman/President of the _____ shall preside over all meetings of the Managing Committee when he is present and in his absence, the Vice-President/Vice Chairman and in his absence the members present shall elect a Chairman from amongst themselves. Every members of the

Managing Committee shall have one vote but the Chairman shall have a casting vote in addition, if there is tie.

(15) The Functions of the Managing Committee shall be as under:-

- a) To frame rules and regulations for the conduct of the business of the institution not in consistent with the object, rules and regulations.
- b) To consider and recommend the applications for membership as per rules of the _____
- c) To appoint, promote, punish, suspend or dismiss employees and to frame rules and regulations of service for the employees of the _____.
- d) To raise loans and deposits with or without security and decide the terms and conditions on which they should be accepted, and to offer necessary security thereon.
- e) To sanction loans and advances to members.
- f) To purchase raw materials and implements and equipments to sell and supply semi finished goods and finished goods and to made arrangements for storing them.
- g) To sell and/or supply and/or give on hire purchase basic, implements and equipments to member.
- h) To organize and conduct production and processing Khadi and Village Industries products and other products of rural industries and other activities in conformity with the objects of the _____
- i) To organize production and repairs of implements and equipments and training of existing members and other and to improve methods of production.
- j) To arrange for proper maintenance of accounts and preparation of balance sheets, statements etc. and submission of progress report and other obligatory returns to concerned authorities.

- k) To see that stock taking of all goods belonging to the institution is done every year at least.
 - l) To insure properties of the institution.
 - m) To do all such other acts and things that is necessary for the proper conduct of the business of the institution in furtherance of its objects.
- (16) The managing Committee shall be competent to delegate any of its powers to the Chairman, Secretary or any Sub-Committee constituted by it for any specific purpose.
- (17) Subject to the rules and regulations and the resolutions passed by the _____ at the General Body Meeting the Managing Committee shall have full authority to carry on the business as provided for in the Memorandum of Association of the _____. Normally it shall meet not less than once in a month for the transaction of business.
- (18) Business of an urgent nature may be disposed of by circulation of relevant papers amongst the members of the Managing Committee provided that a resolution is passed by 3/4th majority of the members of the managing Committee to ratify such action. All resolutions passed accordingly by circulations will be ratified by in the subsequent meeting of the Managing Committee.
- (19) If there is a vacancy on the Managing Committee on account of death resignation etc. of an elected member it shall be filled in by the remaining member of the Managing Committee by co-option and such member shall hold office till the next General Body meeting. The members so co-opted shall be from the class of members to which the members in whose place he has been co-opted belonged to and shall have power to vote.
- (20) In case any vacancy arises in the Managing Committee for any reason whatsoever, the remaining members shall be competent to function in the normal course provided that there are at least as many members as are required to form the quorum for the meeting that there are at least as many members as are required to form the quorum for the meeting.
- (21) In case the number of members in the Managing Committee at anytime is less than the minimum number required to form the quorum, a special general body meeting shall be called within a month for filling up the vacancies by election.

(22) DUTIES OF THE SECRETARY:

The duties of the Secretary shall be:-

- A) to convene meetings of the General Body as well as Managing Committee and to attend and record all proceedings of such meetings in the Minutes Book.
- B) to carry on the correspondence pertaining to the general administration of the Institution and to maintain or cause to maintain all its books of accounts and registers in the requisite manner.
- C) to receive and disburse money on behalf of the institution under the orders of the Managing Committee and to attend all business entrusted to him by the Managing Committee.
- D) the representation of Scheduled Castes, Scheduled Tribes, Minorities, Women/Artisans shall be there in the management committee of the institution according to rules.
- E) The Institution shall give prior notice to Khadi and Village Industries Commission in case of changing in the members of the management committee.
- F) Will keep all the necessary documents related to the programme being run by the Institution and will make available to the officials of Khadi and Village Industries Commission at the time of inspection.

MISCELLANEOUS:

- (23) The Commission shall have powers to give directions to the Managing Committee or to the Institution in respect of the financial policy and other matters of the Institution and the Managing Committee or the institution as the case may shall abide by such direction of the Commission.
- (24) No amendment to or alteration in the rules of the institution or the enactment of a new rules shall be made except at the meeting of General Body convened for the purpose and passed by $2/3^{\text{rd}}$ number of the members present and voted for it.
- (25) The institution shall sue or be sued through its Chairman/Secretary.
- (26) The proceeding of all meetings of General Body, Managing Committee Sub-Committees shall be entered in separate books kept for the purpose by the President/Chairman of the meeting.

- (27) No Member of the institution shall be eligible at anytime for any claim over the profits made by the institution.
- (28) (i) Nobody who is not a habitual and full Khadi Wearer and Nobody who was dealings in Mill Yarn, Mill Cloth or uncertified Khadi can be elected as an office bearer or a member of Managing Committee can be appointed as an employee of the Society.
- (ii) The Institution shall not deal in or use as raw material at any stage Mill Yarn or cloth in the production of Khadi.
- (iii) The excess margin shall be utilized for the benefit of the workmen as may be directed by the certification Committee of the Khadi and V.I. Commission.
- (iv) The rules laid down by the Certification committee of the Khadi and V.I. Commission in the matter of payment of standard wages and fixation of prices shall be carried out by the institution as per certification rules with the approval of Central certification Committee, Lucknow.

(29) DISSOLUTION:

For any reason whatsoever if the activities of the _____ come to a stand still or to be wind up, the Managing Committee by a resolutions shall recommend this to the General Body, which in its turn at as meetings specially, convened for the purpose received by not less than 3/4th majority to dissolve the institution after giving 30 days written notice of the meeting with specific instruction of the purpose thereof.

- (30) "On the dissolution of the _____ if after satisfaction of all its debts and liabilities where remains any property or properties, movable or immovable whatsoever not impressed with any trust of trusts agreed between the institution and the donor or donors the same shall not be paid or distributed amongst the members of the institution or any of them, but shall be given to some other similar institution with similar objective with the approval of **Central certification Committee** to be determined by the special meeting of the General Body by votes of not less that 3/4th of members present at the meeting or in default thereof by the principal court of original jurisdiction of the District in which the registered office of the institution is situate."
