

Policy for allocation of work to the Member Cooperative Societies

"A. Eligibility and General Criteria

1. **Alignment of Bye-Laws:** Work shall be allotted only to those member Cooperative Societies whose bye-laws are in consonance with the objectives and business activities of HAFED.
2. **Continuity and Experience:** Societies which have been actively functioning for a longer duration and maintaining satisfactory performance may be given preference.
3. **Minimum Membership:** Each member Cooperative Society should have at least 500 farmers/ members within its area of operation.
4. **Area of Operation and Allotment of Work:**
 - (a) HAFED reserves the right to allocate any work to any society. No society shall have a vested right to claim any particular type of work or operational area.
 - (b) Existing societies already allotted work may continue their operations in the allotted area, subject to satisfactory performance and compliance with the parameters framed in this policy. However, in cases where the area of operation of a newly registered society overlaps with that of an existing society, the operational area may be divided among them after assessing infrastructure, capacity, and performance. Such division shall ensure continuity of operations, avoidance of overlap, and safeguard HAFED's interests.
 - (c) An area where a society from a different operational jurisdiction is currently functioning shall be treated as vacant and new societies may be considered for allotment of work in such areas.
 - (d) Any criteria such as a Market Committee area or any other criteria may be considered for a clear division of working area among the cooperative societies.
 - (e) **Withdrawal of Allotted Work:** HAFED reserves the right to withdraw the work allotted to any society at any time, without prior notice, in view

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of administrative or operational requirements or unsatisfactory performance, and may allot the same to any other society. The society shall have no right to claim continuation of any work as a matter of right.

5. **Nature and Scope of Work:** Societies engaged in multiple activities, such as procurement of food grains, marketing of consumer products, and sale of fertilizers, pesticides, seeds, cattle feed, etc., may be allotted a particular work or all such works within the allotted area to avoid overlap, maintain operational clarity, and ensure accountability.
 6. **Marketing Orientation:** Since HAFED is primarily a marketing federation, the societies shall be actively engaged in the marketing and sales of consumer goods, seeds, fertilizers, pesticides, cattle feed, and other related items. Marketing orientation shall be treated as an important criterion for assessing the performance and work allotment of the society.
 7. **Financial Soundness and Indemnity:** The financial soundness and creditworthiness of the society will be verified while allotment of work. Societies with defaulted loans, outstanding dues, or unsettled recoveries with HAFED or other institutions shall not be considered until such liabilities are cleared. The society shall indemnify and keep HAFED indemnified against any loss, claim, or liability arising out of or in connection with the work executed by its employees or representatives on behalf of HAFED.
 8. **Staffing Norms:** Each society must have sufficient and qualified staff, including regular staff comprising at least one Manager, one Accountant, and one Clerk/DEO, which will be an essential requirement for allotment of procurement work in a mandi. In case procurement activities are undertaken in more than one mandi, additional Clerks/DEOs and other staff will be engaged as required at the society's own cost.
9. **Essential Infrastructure:**
- (a) Member societies will ensure the availability of essential office equipment such as computers, printers, laptops, furniture, and moisture meters, etc.

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(b) Adequate storage capacity must be available for the storage of seeds, fertilizers, pesticides, cattle feed, and consumer products.

(c) Each society will maintain at least one retail counter for the sale of HAFED's consumer products, fertilizers, pesticides, etc., within its operational area.

10. Licensing Compliance: Societies must possess valid retail/wholesale licenses for the purchase/sale of crops, fertilizers, pesticides, and other regulated commodities from the competent authorities.

B. Infrastructure and Human Resource Requirements

11. Posting of HAFED's Manager: HAFED reserves the right to require the posting of its Manager in any society to safeguard HAFED's interests. Societies earning profit will bear 50% of the salary of the said Manager. Work may not be allotted to societies that do not agree to the posting of HAFED Manager, wherever HAFED deems it necessary.

C. Financial and Operational Safeguards

12. Security Deposit:

(a) Each member society shall deposit an amount of ₹5 lakh (rupees five lakh only), as a Security Deposit with HAFED. This amount may be considered to be increased from time to time by the competent authority and no interest shall be payable by HAFED on the said deposit.

(b) The consumer products, seeds, cattle feed, etc. will be sold/supplied to the member Societies for further sale against advance payment, however, the societies may take advantage of credit to the extent of their security deposit with HAFED.

13. Kachchi Aarhat Work: Societies engaged in procurement of food grains will undertake Kachchi Aarhat business in their own financial interest. In order to strengthen the cooperative movement, societies will ensure that their member farmers sell their produce through the society and not through private commission agents.

14. Performance Monitoring: Sales targets for HAFED's consumer products, seeds and cattle feed products, etc. will be given to the Societies by the Head Office/

District Managers concerned. The performance of Societies shall be reviewed periodically based on parameters like achievement of sales targets, sales growth, quality of work, procurement efficiency, farmer outreach, Kachchi Aarhat business, other business/ activities undertaken and compliance with HAFED's norms.

15. **Undertaking:** Every member society shall furnish an undertaking agreeing to abide by all terms, conditions, and parameters prescribed by HAFED from time to time (**Annexure**).
16. **Periodic Review:** The allotment of work shall be subject to annual/ periodic review, based on assessment of performance, compliance, and operational efficiency on various parameters. Persistent underperformance or irregularities may result in withdrawal of work.”

D. Redressal

17. **Settlement of Dispute:** Any grievance of Member Cooperative Societies concerning the decision taken as per this policy will be resolved as per Section 102 and Section 103 under chapter 25 of the Haryana Cooperative Societies Act, 1984.



**Addl. General Manager (F&A)
Hafed, Panchkula**

(To be submitted on the letterhead of the Marketing Society)

(Undertaking in compliance of policy approved by BOA, HAFED vide supplementary agenda no.380/1 dated 24.11.2025)

UNDERTAKING

I, _____, Chairman/Authorized signatory of the society, hereby undertake to abide by and comply with all the terms, conditions and parameters prescribed by the HAFED, as laid down in policy no. Hafed/F&A/VC/135 dated 14.01.2026, as amended from time to time.

I further agree and affirm that this undertaking shall be binding on the society and shall be complied with in the true letter and spirit.

Note: In case this undertaking is signed by the authorized signatory of the society, a copy of resolution passed by the Board of Directors authorizing the signatory must be enclosed.

Date: _____ Signature _____

Place: _____ Name _____

Designation _____

Name of Society _____

Seal & Stamp _____

BmL
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