

**BYE- LAWS OF BASSEIN CATHOLIC CO-OPERATIVE BANK LTD.,
TAL. VASAI, DIST.PALGHAR (MAHARASHTRA)
(MULTI STATE SCHEDULED BANK)**

Registered Office: "Catholic Bank Building, Papdy Naka, Vasai(W), Dist.Palghar- 401 207,Maharashtra

1 NAME, ADDRESS AND AREA OF OPERATION :

- a) The Bank shall be called as **BASSEIN CATHOLIC CO-OPERATIVE BANK LTD., VASAI, DIST.PALGHAR**. However the Bank may use short name "BCCB", for brand building, logo, advertisement, stationary, publicity material, name board, letter head etc.
- b) The Registered Office and principal place of business of the Bank is and shall be situated at "Catholic Bank Building", Papdy Naka, Vasai (W), Dist.Palghar-401207, State Maharashtra. (Electronic Address : Web site : www.bccb.co.in.. E-mail : bassein.catholic@bccb.co.in)

Any change in registered office shall be notified to the Central Registrar within 15 days of its change and also published in local newspaper and shall be made by an amendment of its Bye-laws after following the procedures laid down in Section 11 of the Multi-State Co-Op. Societies Act, 2002.

- c) The area of operation of the Bank is and shall be confined to the **entire State of Maharashtra, Goa, Gujarat, Union Territory of Dadra & Nagar Haveli**. For any revision in this regard, prior approval of the Reserve Bank of India as also the Registering Authority shall be necessary.
- d) The Bank shall have a Common Seal. The Common Seal shall be kept in the safe custody of the Officer authorized by the Board and shall be used on the authority of a resolution of the Board constituted under the Bye-laws of the Bank.
- e) The Bank is body corporate which can sue and be sued in its name.

2 DEFINITIONS:

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

- i) The "Act" means the Multi State Cooperative Societies Act, 2002 as may be amended from time to time;
- ii) The "Rules" means the Multi State Cooperative Societies Rules, 2002 made under Multi State Cooperative Societies Act, 2002 and as may be amended time to time;

- iii) "Central Registrar", means the Central Registrar of Cooperative Societies appointed under the provisions of the MSCS Act 2002;
- iv) "Bye-laws" means the Bye-laws of the Bank for the time being in force which have been duly registered or deemed to have been registered under the Multi State Cooperative Societies Act in force and includes amendments thereto which have been duly registered or shall be deemed to have been registered under the Act and Rules ;
- v) "Delegate" means a person who is duly appointed/elected by the Members of the Bank or part thereof in accordance with its Bye-laws as its representatives to the General Body of the Bank or a person who is duly authorised by the Board of the Bank to represent the Bank in General Body of the Bank of which the Bank is a Member;
- vi) "General Body", means all the ordinary Members of the Bank and includes a body constituted under the provisions of the Acts, Rules and Bye-laws.
- vii) "Board" means the Board of Directors of the Bank and includes Board of existence at the time of Registration under the Act.
- viii) "General Meeting" means a Meeting of the General Body of the Bank and includes Special General Meeting;
- ix) Chief Executive means Chief Executive officer or Managing Director or such other officer of the Bank appointed by the Board of the Bank under the provision of Act, Rules and Bye-Laws.
- x) "Person" means an adult individual competent to contract under section 11 of Indian Contract Act 1872, proprietary concern, partnership firm duly registered under the Indian Partnership Act 1932, Limited Liability Partnership (LLP), company or any other body corporate constituted under the law for the time being in force, society registered under the Societies Registration Act of 1860, State Government, Central Government, local authority, Self Help Group (SHG), Joint Liability Group (JLG), Trust registered under any law for the time being in force;
- xi) "Officer" means a Chairman, Vice-Chairman, Chief Executive Officer, Secretary, Manager, Members of the Board, Treasurer, Liquidator, an Administrator appointed under Sec.123 of the Multi-State Co-operative Societies Act 202 and includes any other person empowered under Multistate Co-operative Societies Act or the Rules of Bye-laws to give direction in regard to business of the Bank.

- xii) "Functional Director" means and includes any head of the Department of the Bank who will be whole time officer of the Bank nominated by the Board of Directors.
- xiii) **MEMBERS :**
- a) 'Ordinary Member' means a person joining in the application for the registration of the Bank and a person admitted to the membership after such registration in accordance with the provisions of the Act, Rules and Bye-Laws and ordinary members existing at the time of registration under the Act.
- b) "Active Member" means one who participates in the affairs of the Bank and utilizes the minimum level of services or products of the Bank as may be prescribed in the Bye-Law No.9 (2)
- c) "Nominal Member" means a person who has been admitted as a nominal Member under the Act, Rules and Bye-Laws of the Bank and nominal members existing at the time of registration under the Act.
- d) "Joint Member" means a member, who holds a share in the Bank jointly with others but whose name does not stand first in the Share Certificate and joint members existing at the time of registration under the Act, Rules and Bye-Laws.
- xvi) "Multi State Cooperative Society" means a cooperative society registered or deemed to be registered under the Multi-State Cooperative Societies Act 2002;.
- xv) "National Cooperative Society" means a Multi-State Cooperative Society specified in the second schedule to the Multi-State Cooperative Societies Act, 2002;
- xvi) " Cooperative Society" means a cooperative society registered or deemed to be registered under any law relating to cooperative societies for the time being in-force in any State or Union Territory;
- xvii) "Federal Cooperative" means a federation of cooperative societies registered under the MSCS Act 2002 and whose Membership is available only to a Cooperative Society or a Multi State Co-op. Society;
- xviii) A "Cooperative Bank" means a Multi State Cooperative Society / State Co-operative Society registered or deemed to have been registered under the relevant laws of Co-operative Societies Act and carries on Banking business as contemplated under the provisions of Banking Regulation Act 1949;
- ixx) "Reserve Bank" means the Reserve Bank of India constituted under the RBI Act 1934 (2 of 1934);

- xx) "Central Government" means the Government of India;
- xxi) "Deposit Insurance Corporation" means the Deposit Insurance & Credit Guarantee Corporation established under Sec. 3 of the Deposit Insurance Corporation Act 1961;
- xxii) "Defaulter" means a Member who has defaulted in payment of any kind of dues payable to the Bank;
- xxiii) 'Willfull Defaulter' means a Member who commits default as mentioned in the directives and guidelines issued by the Reserve Bank of India from time to time.
- xxiv) "Cooperative Year" means the period from 1st of April to 31st March;
- xxv) "Area of Operation" means the area from which the persons can be admitted as Members of the Bank;
- xxvi) "Cooperative Principles" means the cooperative principles as specified in the first schedule of the Multi-State Cooperative Societies Act, 2002;
- xxvii) "Bank" means **BASSEIN CATHOLIC CO-OPERATIVE BANK LTD.**
- xxviii) "Prescribed" means prescribed in accordance with the Act, Rules and Bye-laws.
- xxix) "Committee" means such committee of the Board or sub-committee of Directors constituted by the Board from time to time and includes the committees in existence at the time of registration under the Act.
- xxx) "Employee" means an individual who is engaged in the employment of the Bank under contractual relationship with the Bank as an employer;
- xxxi) 'Notifications' means a notification published in the official gazette.

3 OBJECTS AND FUNCTIONS:

a) Objects:

The objectives of the Bank are to encourage thrift and to promote co-operation amongst its members and to provide its products and services to its members and to engage in all or any one or more forms of business as enumerated in section 6 of the Banking Regulation Act, 1949 and as amended from time to time and in particular to carry out / engaged in the following forms of business / activities, namely ;

To encourage thrift, self-help and Co-operation among the members in more than one state.

b) Functions: In furtherance of the above objects, the Bank may undertake any or all of the following activities:

1. To accept deposits of money from the public and Members repayable on demand or otherwise, and withdrawable by cheque , draft, order or otherwise for the purpose of lending or investment;
2. To borrow or raise money or funds;
3. To lend or to advance money either upon or without security to Members and others as permitted by Reserve Bank of India and as per the provision of MSCS Act 2002;
4. To draw, make, accept, discount, buy, sell, collect and deal in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, certificates, scrip and other instruments, Government and other securities whether transferable or negotiable or not;
5. To grant and to issue Bank guaranty, letters of credit, travelers cheques and circular notes;
6. To buy and sell Gold, Silver, bullion and other species and foreign exchange including foreign Bank notes and to undertake full-fledged foreign exchange business with the permission of RBI;
7. To acquire, to hold, to issue on commission to underwrite and to deal in stocks, funds, shares, debentures, bonds, obligations, securities and investment of all kinds;
8. To purchase and to sell bonds, scripts, or other forms of securities on behalf of constituents;
9. To receive all kinds of bonds, scripts, valuables for deposit or for safe custody or otherwise;
10. To provide safe deposit vaults and ancillary services;
11. To collect and transmit money and securities;
12. To negotiate loans and advances;

13. To carry on and to transact every kind of guarantee and indemnity business for and on behalf of constituents;
14. To acquire, to construct, to maintain and to alter any building or works necessary or convenient for the purposes of the Bank;
15. To manage, to sell and to realize any property which may come into the possession of the Bank in full satisfaction or part satisfaction of any of its claims;
16. To open branches, extension counters and offices, ATM centres, any other offices with the permission of the Reserve Bank of India wherever necessary within the area of operation of the Bank so as to provide Banking services;
17. To acquire, to manage and to undertake the whole or part of the business of any other co-operative Bank / Society with the prior permission of the Reserve Bank of India and the Central Registrar;
18. To prepare and to finance schemes for amelioration of the financial condition of the Members;
19. To provide financial and technical assistance to Small Scale and Cottage Industries and to help self-employed persons for setting up their own business;
20. To enter into participation, consortium, arrangement / arrangements with any other Bank or Banks or financial institutions with the object of making loans and advances with the permission of the Reserve Bank of India wherever necessary;
21. To do any other form of business as specified in clause (1) of Section 6 of the Banking Regulation Act, 1949 (as applicable to Co-operative Societies);
22. To act as agents for collection of moneys of various Government, Quasi-Government and Statutory Bodies;
23. To Grant loans to Co-operative Housing Societies for temporary period pending reimbursement from the any Co-Operative Housing Finance Society Ltd., LIC, Government, Semi-Government Institutions or other financing agencies and/or to grant loans to such societies as may be permitted by the Reserve Bank of India;
24. To promote one or more subsidiary institutions which may be registered under any law for the time being in force for furtherance of its stated objects;

25. To act as corporate agent or referral agent for selling/ distributing life as well as non- life insurance products under tie-up arrangements with any IRDA approved insurance company and within the framework of RBI guidelines;
26. To do all such other things as are incidental and conducive to the promotion or advancement of these functions and of the business of the Bank;
27. To open, establish, maintain and operate Currency Chest and small coins depots on such terms and conditions as may be required by the Reserve Bank of India and enter into all administrative or other arrangements for undertaking such functions with the Reserve Bank of India;
28. To undertake and to do business of distribution of units of Mutual Funds, New Fund Offerings (NFOs) etc. to the Members and general public;
29. To undertake and to do business of providing depository services such as dematerialization of shares, securities etc to the Members and general public;
30. To provide all financial, technical, legal data base services, computer based and allied services to Members, depositors, customers, public institutions ,Banks and associate concerns;
31. To engage in the business of Debit/Credit Card with the permission of Reserve Bank of India;
32. To securitize assets with Asset Reconstruction Companies / National Housing Bank or any other organization as may be permitted by the Reserve Bank of India from time to time;
33. To meet social obligations, give donations to various organizations for betterment of the society;
34. To develop and build Brand Image of the Bank and to do all such things incidental to build Bank's brand/image;

4 CAPITAL AND FUNDS:

The Bank may receive funds from any or all of the following sources: -

- (i) Share capital;
- (ii) Admission fee;
- (iii) Subscriptions;
- (iv) Deposits, debentures, preference shares, Long Term (Subordinated) Deposits (L.T.Ds) and/ or any other instruments.

- (v) Loans, Overdrafts and Advances, Refinance, Line of Credit or by availing Rediscounting Facilities from other financial institutions.
- (vi) Donations, Grants-in-aid, Subsidies etc.
- (vii) Contributions;
- (viii) Profit, interest, rent, service charges, commission etc.
- (ix) Dividend;
- (x) Any other means as may be permitted by Reserve Bank of India and/or Central Registrar from time to time

5 UTILISATION OF FUNDS :

The funds of the Bank shall be utilized, as approved by the Board of Directors, to achieve the objectives of the Bank. Utilization of these funds shall be decided by the Board of Directors keeping in view the co-operative principle, social responsibilities and general welfare of members / employees / community subject to provisioning of the Act, Rules and Bye-Laws and the Reserve Bank of India Guidelines from time to time.

6 MAXIMUM BORROWING LIMIT :

- (a) Bank may receive deposits, raise loans, and receive grants from external sources, provided that total amount of loans received during any financial year shall not exceed ten times of the sum of paid up share capital plus accumulated reserves, minus accumulated losses, if any;
- (b) Subject to provisions of sub-section (1) of Sec.67 of Act, Bank may accept funds or borrow funds for the fulfilment of its objects on such terms and conditions as are mutually contracted upon;
- (c) Bank may issue non-convertible debentures or other instruments subject to the provisions of any law for the time being in force to raise resources for the fulfilment of its objectives to the extent of twenty-five per cent of its paid-up share capital.

7 AUTHORIZED SHARE CAPITAL:

i) The authorized share capital of the Bank is Rs.1,50,00,00,000/- (Rs. One Hundred Fifty Crores Only) divided into 6,00,00,000 shares of Rs.25/-each and shall be subscribed by ordinary Members;

ii) The Bank at its General Meeting, may from time to time, increase the Authorised Share Capital by creation of new shares of such number and amount as may be deemed expedient.

8 SUBSCRIPTION OF SHARES:

- (i) A Member shall subscribe to minimum of Forty (40) number of share and full value of share shall be paid at the time of application along with admission fee;
- (ii) No Member other than the authorities referred in the clause (c) to (g) of sub sec (1) of section 25 of MSCS Act 2002 shall hold more than 1/5 of the total subscribed share capital of the Bank maximum upto Rs.5 lakhs;
- (iii) Manner of allotment, transfer, redemption and/or repatriation shall be at face value and as per the provisions of the Act.

9 MEMBERSHIP:

A Bank shall have following categories of Members:-

- (i) Ordinary Members;
- (ii) Active Member
- (iii) Nominal Member
- (iv) Joint Member

1) Ordinary Member :

- (a) Any person who resides within the area of operation of the Bank or is gainfully engaged in any occupation of the Bank and who genuinely needs the services provided by the Bank and whose interest does not conflict with the interest of the Bank may be admitted as a member of the Bank and who has submitted his application subscribing minimum 40 fully paid-up shares of the Bank.
No person shall be admitted as a Member of the Bank except the following namely:
 - (i) An individual competent to contract under section 11 of the Indian Contract Act 1872;
 - (ii) The Central Government;
 - (iii) A State Government;
 - (iv) The National Co-operative Development Corporation established under the National Co-operative Development Corporation Act, 1962;
 - (v) Any other Corporation owned or controlled by the Government
 - (vi) Any Government company as defined in section 617 of the Companies Act, 1956;
 - (vii) Any other person as defined under Bye-Laws 2 (x).
 - (viii) Such class or classes of persons or association of persons as permitted by the Central Registrar.
- (b) An employee of the Bank shall not be eligible to be admitted as an Ordinary Member

- (c) No right of membership shall be exercisable unless and until the person has made full payment of the amount of the admission fees and value of shares to the Bank in respect of membership.
- (d) Every member shall pay an Admission Fee of Rs.100/- alongwith the Application for the membership as specified by the Board of Directors from time to time.
- (e) All existing Ordinary members holding less than 40 shares shall subscribe to such additional number of shares as may be necessary to make up the required minimum number of 40 shares within 6 months from the date of coming into force of this amended bye-law.

2) Active Member :

'Active Member' means a person who fullfills all the following criteria.

- (i) Has been admitted as an Ordinary Member under the Bye-Laws of the Bank and should hold minimum share capital amounting to Rs.1500/-
- (ii) Utilises the minimum level of services as provided in the Bye-Laws No.14 (v)

3) NOMINAL OR ASSOCIATE MEMBER

- (a) Any person who is co-parcener or a partner of a partnership firm or a director of a company or a Trustee of the Public Trust or an officer bearer of any other Corporate Body or a person who desires to stand surety for the borrowing member of the Bank or a person desires to borrow occasionally as permitted by the Reserve Bank of India may be enrolled as a nominal member upon his application in the prescribed form and on payment of non-refundable entrance fee of Rs.5/- or such amount as may be fixed by the Board from time to time (which shall not exceed Rs.100/-) and upon his agreeing to the condition that he shall ceased to be a nominal member when all liabilities against him either as a borrower or as a surety are fully discharged provided that such person is residing or is gainfully engaged in any occupation or business within the area of operation of the Bank.
- (b) An employee of bank may be admitted as a Nominal Member and he will be entitled, on merits, to various facilities and other schemes on merit as sanctioned by the Board of Directors from time to time exclusively for employees;
- (c) The Nominal Member shall not be entitled:-
 - (i) To receive share certificate;
 - (ii) To receive audited accounts and annual report;
 - (iii) To attend, participate and to vote in the General/ Special General Meeting of the Bank;
 - (iv) To receive dividend ;
 - (v) To contest and vote in the Election of the Board;
 - (vi) Demand inspection of the books and records of the Bank

4) Joint Member :

Shares may be purchased in the name of one or more persons provided that where two or more persons are registered as the holders of any shares they shall be deemed to hold a same as joint tenants with benefit of survivorship subject to the following provisions.

- (i) Only the person whose names stands first in the Register of Members as one of the joint holders of any shares shall be entitled to the rights of an Ordinary Member i.e. to receive notices from the society or to attend or vote at General Meetings of the Society.
- (ii) A Joint Share holder individually can subscribe to the share capital to the extend of required % of share linking to his borrowing and also entitled for a Dividend for the amount of share capital he has subscribed and can also withdraw his share capital as per the Act, Rules and Bye-laws of the Bank.
- (iii) On withdrawal of Share Capital by all the joint share holders the membership will automatically be ceased.

10 APPLICATION FOR MEMBERSHIP AND ITS DISPOSAL :**1) Ordinary Membership**

The application for Membership of the Bank shall be submitted by the applicant to Chief Executive of the Bank in such form and with such non-refundable admission fees as prescribed by the Board. The applicant shall also subscribe for atleast 40 fully paid shares at the time of application along with admission fee of Rs.100/-

2) Nominal Membership

The application for Nominal Membership of the Bank shall be submitted in prescribed form.

3) Joint Membership

The application for the Joint Membership of the Bank shall be submitted in the prescribed form. The Joint Member has to subscribe to atleast 40 shares. The Board shall decide the procedure for admission of ordinary members, nominal member and joint membership from time to time as per Act, Rules and Bye-laws.

4) Bank shall not admit members within 30 days prior to date of meeting of general body as per Rule 11(5) of MSCS Rules 2002.

5) Disposal:

The applications for Membership of the Bank found complete in all respects shall be disposed of within the period of four (4) months from the date of receipt of the application by the Bank. The same shall be communicated to the applicant within fifteen days of the decision by Registered Post/courier.

6) IDENTIFICATION OF MEMBER (KYC NORMS OF RBI TO MEMBERS)

- A) For all transactions with the Bank, Identification of Members is necessary. For Identification, the individual member shall comply with the Know Your Customer (KYC) guidelines, issued by the Reserve Bank of India from time to time and duly adopted and approved by the Board of Directors of the Bank.
- B) The existing members shall also comply with such KYC Norms. Identification of the Member of the Bank shall be done by competent authority appointed by the Board, through the official identity card which will be issued free of charge for the first time by the Bank.
- C) Whenever a member desires to exercise his right as a member of the Bank, such as attending the General Body Meeting and voting therein, collecting annual dividends and / or occasional gifts, execution of agreements as borrower or guarantor, voting at a election of director/s of the Bank and for such other purpose which the Bank may notify from time to time, the member may be asked to produce his Identity Card.
- D) Duplicate Identity Card may be obtained from the Bank in case of Loss or Mutilation of the Original Card. However, duplicate Card shall be issued at a nominal cost as may be determined by the Board, from time to time.
- E) The Board will be permitted to explore the use of Advanced Technology for the issuance of electronic digital cards so as to reduce use of paper.

Note In this bye-law competent authority means any person/s nominated by the Board for this purpose.

11 CONDITIONS FOR ORDINARY MEMBERSHIP:

a An applicant will be enrolled as ordinary Member upon fulfilling the following conditions:

- (i) He has applied in writing in the prescribed format;
- (ii) He has paid admission fee of Rs.100/- and subscribed at least 40 Shares of the Bank ;
- (iii) He has given a declaration that he is not a Member of any other similar co-operative Bank;
- (iv) He has fulfilled all other conditions laid down in the Act, the Rules and the byelaws;
- (v) The Board of Directors of the Bank approves the application to admit as a Member;

b No person shall be eligible for admission as a Member of the Bank if he:

- (i) has not attained the age of 18 years;
- (ii) has been adjudged by a competent court to be an insolvent or an un- discharged insolvent;
- (iii) has been sentenced for any offence other than offence of a political character or an offence not involving moral turpitude and dishonesty and a period of five years has not elapsed from the date of expiry of the sentence;
- (iv) Has become insane ;

12 RIGHTS AND DUTIES OF ORDINARY MEMBERS:

Every Ordinary Member of the Bank shall have following rights and duties :-

- (i) Right to vote in the General Meeting of the Bank. However no member shall be permitted to vote by PROXY. Provided that any institution which is member of the Bank may appoint its representative by Resolution passed by its Board to vote on its behalf in the General Body Meeting of the Bank.
- (ii) Right to receive notice of General Body Meetings
- (iii) Right to attend and participate in the proceedings of General Body Meetings.

- (iv) Right to ask Inspection of the Members' Register, Books of Accounts of the Bank, Statement of Accounts and papers in which member's own transactions are recorded on payment of fees as may be prescribed by the Board from time to time.
- (v) To promote and protect the interest and object of the Bank.

13 RIGHTS AND DUTIES OF JOINT MEMBERS

- (i) In case of Joint Members, the person whose name stands first on the Share Certificate, shall only be entitled to the rights of the Ordinary Members.
- (ii) However, when the person whose name stands first in the Share Certificate, is absent, the person whose name stands second, and in the absence of both, the person whose name stands next, and likewise, in the absence of the preceding persons, the person whose name is next on the share certificate and who is present shall have right to vote in affairs of the Bank.
- (iii) All the Joint Members, shall be jointly and severally liable for payments to be made in respect of the shares held by them.
- (iv) On death of the Joint holder, the surviving member/s shall be recognized as Joint Members.
- (v) On death of the member, whose name stands first, the next survivor will have rights of the Ordinary Member and likewise, so on.
- (vi) A Joint Member individually may appoint one person as nominee to receive the interest in the Shares after his / her death.

14 DISQUALIFICATIONS OF ORDINARY MEMBERSHIP :

No person shall be eligible for being or continuing as a Member of the Bank if:-

- (i) His/her/its business is in conflict or competitive with the business of the Bank; or
- (ii) His/her/its does not attend the three consecutive General Meetings and such absence was not condoned by the Members attending the Meeting; or
- (iii) He has made any default in payment of any amount, due to the Bank and a notice for disqualification has been given to him by the Bank, or

- (iv) He being an existing Ordinary Member, has failed to subscribe to the required additional shares as per Bye-laws No.9 (1) (e) within the given period.
- (v) Minimum Level of Service means
To maintain with the Bank average daily balance during previous financial year as under,
 - a) Deposit of Rs.5000/- ; OR
 - b) Credit facility of Rs.100000/-.

15 **EXPULSION OF MEMBERSHIP**

- (i) On the recommendation of the Board, the Bank may by a Resolution passed by a majority of not less than 2/3 of the members present and voting at a General Meeting held for the purpose, expel a member for acts which are detrimental to proper working of the Bank. Provided, that the member concerned shall not be expelled unless he has been given a 15 days notice for making representation in the matter.
- (ii) On expulsion from the Bank, in accordance with provisions of the Acts, Rules & Bye-laws, a person shall cease to be a member. Such expulsion may involve forfeiture of shares at the sole discretion of the Bank.

16 **CESSATION OF MEMBERSHIP:**

A person shall cease to be a member of the Bank in the following circumstances.

- (i) **Death :**
Death of the Member or dissolution of a firm or liquidation of a Company or other corporate body or cancellation of registration of the Member Society.
- (ii) **Resignation :**
A member may withdraw and resign from his membership by surrendering all shares held by him after one year and giving atleast one month's notice to the Bank in writing in such form and with such fees as prescribed by the Board. The Board shall not give approval to such withdrawal or resignation while such a member is indebted, either directly as a borrower or indirectly as a guarantor, to the Bank. During any co-operative year, the aggregate withdrawals shall not exceed 1% of the total paid-up share capital as on 31st March of the preceding year.

- (iii) **Transfer of Shares :**
A member may transfer only the whole of his interest in the shares of the Bank to any other eligible member by giving atleast one month's notice in writing to the Bank in such form alongwith such fees as prescribed by the Board. The approval to such transfer shall not be given by the Board while such a member is indebted, either directly as a borrower or indirectly as a guarantor to the Bank.
- (iv) **Expulsion :**
Expulsion by the General Body.
- (v) **Disqualification :**
Disqualification as per the provisions of the Act, Rules and Bye-Laws.

17 WITHDRAWAL FROM MEMBERSHIP:

- (i) Any Member of the Bank may withdraw from Membership of the Bank only after one year by giving at least a three months notice and duly approved by the Board of Directors. The approval shall not be given while such Member is indebted to the Bank either as a borrower or as a surety or otherwise. During any co-operative year, the aggregate withdrawal shall not exceed 10% of the total paid up share capital as at 31st March of the preceding year.
- (ii) A Member who withdraws and resigns his Membership will not be allowed to become a Member again for a period of one year from the date of his resignation unless he repays the amount withdrawn by him from the Bank.

18 TERMINATION OF MEMBERSHIP:

Membership of the Bank may be terminated by as per the provisions of Sec 30 of the Act by a resolution of the General Body Meeting , passed by 2/3rd majority present and voting, if any activity of such Member is found to be detrimental to the proper working of the Bank;
Provided that the Member concerned shall not be expelled unless he has been given a reasonable opportunity of making representation in the matter;

19 LIABILITY OF A MEMBER :

- (i) Liability of the Members shall be limited to the share capital subscribed by them;
- (ii) Liability of every Member would continue for period of two years from the date of ceasing to be Member of the Bank;

- (ii) However, where the Bank is ordered to be wound up under Sec. 86 of the Act, the liability of a past Member who ceased to be a Member or of the estate of a deceased Member who died within two years immediately preceding the date of the order of winding up, shall continue until the entire liquidation proceedings are completed, but such liability shall extend only to the debts of the Bank as they existed on the date of cessation of Membership or death, as the case may be;

20 JOINT SHAREHOLDERS :

- (i) Shares may be purchased in the names of more than one person jointly;
- (ii) On death of a joint-holder, the surviving person/ persons shall be recognized as joint shareholder/holders;
- (iii) The joint-holder of any share shall be liable severally as well as jointly for all payments which are to be made in respect of such share or shares;
- (iv) The person whose name stands first written on the share certificate shall enjoy all the rights of a Member and be responsible for all the liabilities of a Member. He shall be entitled to receive the annual dividend and notice of the General Meeting;
- (v) Where a share of the Bank is held jointly by more than one person, the person whose name stands first in the share certificate, if present, shall have the right to vote. But in his absence, the person whose name stands second and, in the absence of both, the person whose name stands next, and likewise in the absence of preceding persons the person whose name is next on the share certificate, who is present and who is not a minor, shall have right to vote;

21 SHARE CERTIFICATE :

- (i) Every person admitted as Ordinary and Joint Member shall be entitled to receive a share certificate gratis stating the number of share/s and their distinctive number/s. The share certificates shall be signed by the Chairman, or any Director duly authorized and the Chief Executive Officer. The share certificate shall bear the Bank's seal.
- (ii) If any certificate be worn out, defaced, destroyed or lost, a duplicate share certificate may be issued in lieu thereof on payment of a fee of Rs 100/- per share certificate. It shall, however, be necessary to produce evidence to the satisfaction of the Board of Directors that the share certificates were worn out, defaced, destroyed or lost, or in absence of such evidence, on such indemnity as the Board of Directors may deem sufficient.

22 TRANSFER OF SHARES :

- (i) A Member may transfer his share or shares after holding them for not less than one year to another Member duly approved by the Board of Directors. The transfer is not complete until the name of the transferee has been duly entered in the register of Members and the transfer fee of Rs.100/- or as decided by Board from time to time.
- (ii) Transfer of share or shares shall be refused to a Member, if :-
 - a) The Member is indebted to the Bank either as a borrower or as a surety or otherwise;

23 NOMINATION :

- (i) An Ordinary Member may appoint one person as nominee to receive the member's interest in the shares after his/her death.
- (ii) Nomination can be revoked and fresh nomination can be made any number of times by the member after due intimation in writing to the Bank in such form, and on payment of such fees, as prescribed by the Board.
- (iii) In case of shares held by more than one member, no nomination shall be allowed.

24 DEATH OF A MEMBER :

- (i) On death of a shareholder, in case nomination has been made by the member, the nominee can make an application to the Bank in the form prescribed by the Board for getting the value of the shares, held by the deceased member. Such application can be made only after expiry of **one year** from the date of death. The Board, after following such procedure as may be decided by it from time to time, may pay the value of the share held by the deceased member to the nominee.
- (ii) On the death of the member, in case nomination has not been made by the member, the legal heir(s) or legal representative(s) can make an application to the Bank in the form prescribed by the Board for getting the value of the shares held by the deceased member. Such application can be made only after expiry of **one year** from the date of death. The Board, after following such procedure as may be decided by it from time to time, may pay the value of shares held by the deceased member to such legal heir(s) or representative(s) as may be thought fit by the Board.

25 LIEN ON SHARES, DIVIDENDS AND DEPOSITS :

The Bank shall have the first and paramount lien or charge upon all the shares, dividends and deposits, all goods, vehicles, immovable property etc already hypothecated/ mortgaged to the Bank for whatsoever reason of any Member or past Member for all moneys due from him to the Bank from time to time. The Bank may at any time set off any sum credited by or payable to the Member or past Member towards payment of any liability of such Member as past- Member.

26 GENERAL BODY:

- (i) Subject to the provisions of the Act, Rules and Bye-laws, the final authority of the Bank shall vest in the General Body;
- (ii) The General Body of the Bank shall consist of all the Ordinary Members of the Bank;
- (iii) In case of Partnership firm, Company, Trust or other Body Corporate, the same shall be represented in General Meeting by a person who is its partner, or director or trustee or other office bearer and having such authority as prescribed by the Board.
- (iv) In case of Joint Member, the person whose name is appearing first will be represented in General Meeting as per Bye-Law No.14 (ii).

27 ANNUAL GENERAL MEETING:

- i) General Meeting shall be of two kinds, viz: - Annual General Meeting and Special General Meeting. The final authority of the Bank shall vest in the General Body. The General Meeting shall be held at any place in the city where principal place of business of the Bank is situated. The Board of the Bank under a resolution shall within six months after the close of the Financial year call the Annual General Meeting for the purpose of: -
 - a. To read and confirm the minutes of the previous General Meetings;
 - b. Consideration of the audited statement of accounts;
 - c. Consideration of the audit report and annual report;
 - d. Consideration of audit compliance report;
 - e. Disposal of net profits;

- f. Approval for appointment of Auditors & fixation of remuneration;
- g. Review of operational deficit, if any;
- h. Creation of specific reserves and other funds;
- i. Approval of the annual budget;
- j. Review of actual utilisation of reserve and other funds;
- k. Creation of specific reserves and other funds;
- l. Approval of the long-term perspective plan and the annual operational plan;
- m. Review of annual report and accounts of subsidiary institution, if any;
- n. Expulsion of Members, if any;
- o. List of employees who are relatives of Members of the Board or of the Chief Executive Officer;
- p. Amendment of Bye-laws, if any;
- q. Formulation of code of conduct for the Members of the Board and Officers;
- r. Election & removal of Members of the Board, if any as per provisions of Act;
- s. To Consider the statement showing details of loans or goods on credit if any given to any Director or to the spouse of the Director or his/her son or daughter or relatives as specified under Sec 39 (3) of Act during the preceding year or outstanding against any of them;
- t. Any other matter laid before it by the Board of Directors.

ii) **NOTICE OF ANNUAL GENERAL MEETING :-**

- a. Annual General Meeting of the Bank may be called by giving not less than 14 days notice in writing to all the ordinary members of the Bank.

- b. Notice of the General Body Meeting shall be sent to Members by following modes viz;
- i) By local delivery, or By post; or By Courier; or By Email wherever the Email address of members are available with bank and
 - ii) By publication in the newspaper having wide circulation in each state.
 - iii) The notice of the General Meeting shall also be affixed on the Notice Board of the Bank and its Branches.
 - iv) On the website of the bank as a additional facility to members;
 - v) The intimation of notice of general body meeting of members shall also be sent to registered mobile number by SMS as additional facility.
- OR
- by such other mode(s) as decided by the board.
- c. The Notice of Annual General Meeting shall be accompanied by a copy of Agenda of the Meeting, Audited Balance Sheet, Profit & Loss Account together with the Auditor's Report relating to the preceding year and amendment to Bye-Law, if any an election to Board of Directors, if any;
- Notice shall contain the place, date, time and agenda for the meeting and also state the place, date and time of holding adjourned meeting, should it be necessary to adjourn it in the absence of the quorum.
- The annual report will be made available to the ordinary members at the Registered Office and all the branches of the Bank.
- d. Non receipt of notice by any member shall not be a valid ground for invalidating or postponing or adjourning the General Meeting.
- e. Notice of the meeting shall be signed by the Chief Executive Officer of the Bank.
- iii **QUORUM OF THE ANNUAL GENERAL MEETING :-**
- a. One fifth of the total number of members or **200 members** whichever is less shall constitute quorum for the General Meeting.
 - b. No business shall be transacted at any General meeting unless there is a quorum at the time when the business of the Meeting is due to commence.
 - c. If within half an hour from the time appointed for the meeting, quorum is not present, the meeting shall stand adjourned and would be held after half an hour at which the quorum will not be required.

- d. If at any time during the meeting sufficient number of members are not present to form the quorum, the Chairman or the member presiding over the meeting on his own, or on his attention being drawn to this fact, shall adjourn the meeting and the business that remains to be transacted at this meeting, if any, shall be disposed off in the usual manner at the adjourned meeting.
- e. Where a meeting is adjourned under sub-clause (c) or (d), the adjourned meeting shall be held either on the same day or on such date, time and place as may be recorded in the notice of the meeting or as may be decided by the Chairman or the member presiding over the meeting but within seven days from the date of adjourned meeting.
- f. No business shall be transacted at any adjourned meeting other than the business on the agenda of the adjourned meeting.
- g. The adjourned meeting will transact its regular business even without the quorum being present at the meeting.

iv

VOTING**A Ordinary Member:-**

- i. Except as otherwise provided in the Act or the Rules, voting at every General Meeting on any resolution shall be by show of hands.
- ii. In case, more than 50% of the members present demand for poll, the polling shall be done forthwith for respective resolution.
- iii. Irrespective of the number of shares held, every ordinary member shall have only one vote in General Meeting.
- iv. Individual Member shall vote in person, while a Firm or a Company or Trust or LLP or any Body Corporate constituted under any law for the time being in force or Government which is a member, may appoint one of its Partners, Directors or Officers or Authorised Representatives to participate in the meeting to exercise the right to vote. In case of such persons, the concerned partner, director, trustee, office bearer or representative shall produce the requisite authority as prescribed by the Board.

B Active Member:-

- i) Active Member shall have one vote irrespective of the number of shares held.

- b) Individual Member shall vote in person, while a Firm or a Company or HUF or LLP or any Body Corporate constituted under any law for the time being in force or Government which is a member, may appoint one of its Partners, Directors or Officers or Authorised Representatives to participate in the meeting to exercise the right to vote. In case of such persons, the concerned partner, director, karta, trustee, office bearer or representative shall produce the requisite authority as prescribed by the Board.
- c) A member shall acquire a right to vote in election of the Board Of Directors only after the completion of **two years** from the date of his admission to the membership of the Bank.
- d) An Active member who becomes a defaulter shall not be eligible to vote in the election of the Board of Directors as well as the Annual or Special General Meeting of the Bank.

Provided that while considering the voting rights of the defaulter, the cut-off date shall be taken as the beginning of the first day of previous month to the date of the said General Meeting/Election

V) CONDUCT OF THE MEETING:

- i) The chairman of the Board of Directors shall preside over the General Meeting. In his absence the vice-chairman and in absence of both, the members of Board shall elect the one of the Board Members as a Chairman of the meeting and shall preside over the General Meeting.
- ii) In case of equality of votes on any resolution the chairperson shall have one casting vote.

VI) MINUTES:

The minutes of the General Meeting shall be recorded in the minute book of the General Meeting as per the provisions of the Act, Rules and the Bye-Laws.

28 SPECIAL GENERAL MEETING:

The Chief Executive Officer, at any time, on the direction of the board, shall call a Special General Meeting of the bank and shall call such meeting within one month after the receipt of a requisition in writing from the central registrar or from 1/5th of the total number of members of the bank or atleast 1000 ordinary members whichever is less. The business of Special General Meeting shall be the business as stated in the notice of the meeting.

I) NOTICE:

- a) Special General Meeting of the bank may be called by giving not less than seven days notice in writing to all the ordinary members of the bank
- b) Notice of the General Body Meeting shall be sent to Members by following modes viz;
 - i) By local delivery, or By post; or By Courier; or By Email wherever the Email address of members are available with bank and
 - ii) By publication in the newspaper having wide circulation in each state.
 - iii) The notice of the General Meeting shall also be affixed on the Notice Board of the Bank and its Branches.
 - iv) On the website of the bank as a additional facility to members;
 - v) The intimation of notice of general body meeting of members shall also be sent to registered mobile number by SMS as additional facility.
- c) The notice shall contain the place, date, time and agenda of the meeting and also state the place, date and time of holding the adjourned meeting, should it be necessary to adjourn it in the absence of quorum.
- d) Non receipt of notice by any member shall not be a valid ground for invalidating or postponing or adjourning the Special General Meeting.
- e) Notice of the meeting shall be signed by Chief Executive Officer of the Bank.

OR

by such other mode(s) as decided by the board.

II) QUORUM:

Where the Special General Meeting has been called by the Board, the quorum shall be the same as per the rules applicable for General Body Meeting. However, for a Special General Meeting , requisitioned by members, the quorum shall be all members signing the requisition.

III) VOTING:

The voting procedure in the Special General Meeting shall be the same as provided for the General Meeting in Bye-Law 27 (iv)

IV) CONDUCT OF MEETING:

The conduct of the special general meeting shall be the same as provided for the General Meeting in Bye-Law 27 (iv).

V) MINUTES:

The minutes of the Special General Meeting shall be recorded in the minute book of the General Meeting as per the provisions of the Act, Rules and the Bye-Laws.

29 CHAIRPERSON OF THE GENERAL BODY MEETING :

The chairman of the Board of Directors shall preside over the General Meeting. In his absence the vice-chairman and in absence of both, the members of Board shall elect the one of the Board Members as a Chairman of the meeting and shall preside over the General Meeting.

30 AMENDMENT TO BYE-LAWS :

The amendment of these Bye-laws shall only be passed by a resolution of the Meeting of the General Body in which a quorum is present by a vote of not less than two thirds of the Members present there at and not less than 15 clear days notice for the considering of such amendment has been previously given.

Any addition, amendment, alteration or rescission resolved upon at such Meeting shall take effect from the date of receipt of Central Registrar's approval in writing.

31 RESOLUTIONS:

Unless otherwise specifically provided in the Act, Rules and these Bye laws, all resolutions shall be carried by a majority of votes. Votes shall be taken by show of hands unless 50% of the Members present in the Meeting demand a ballot in which case a ballot shall be taken forthwith. However, election to the Board of Directors shall be held as per the procedures mentioned in the Election Schedule annexed with the Multi State Co-operative Societies Rules 2002.

32 MINUTES:

All proceedings of every General Meeting and of all proceedings of every Board Meeting or of every Meeting of Committee of the Board shall be recorded within 30 days of the conclusion of every such Meeting concerned and feed in the Computer Hardware and shall be store or save in the soft copy and prepare print outs in the Minute Book, the pages of which shall be duly numbered. The same shall be signed by the Chairperson of the Meeting and the Chief Executive Officer of the Bank.

33 BOARD OF DIRECTORS : (PLAN - A)

- i) The Board of Directors of the Bank shall consist of nineteen (19) directors
- ii) The Executive Management of the Bank shall vest in the hands of Board of Directors of the Bank

- a) Sixteen Directors (16) will be elected from General Category and Three Directors (3) from Reserve Category amongst the active members of the Bank as per the procedure laid down in Bye-laws as under :

Sr. No	Name of the Constituency	Related Area	No. of Director seats
1.	Papdy	Area connected to / included in Papdy	2
2.	Palli	Area connected to / included in Palli and Mira-Bhayander Municipal Corporation as well as Mumbai Municipal Corporation Suburban area.	1
3.	Mulgaon	Area connected to / included in Mulgaon	1
4.	Vasai Koliwada	Area connected to / included in Vasai Koliwada	1
5.	Remedy	Area connected to / included in Remedy	1
6.	Merces	Area connected to / included in Merces	1
7.	Giriz	Area connected to / included in Giriz	1
8.	St. Thomas	Area connected to / included in St.Thomas	1
9.	Chulne	Area connected to / included in Chulne	1
10.	Manickpur	Area connected to / included in Manickpur	1
11.	Nandakhal/ Nanbhat	Area connected to / included in Nandakhal and Nanbhat	1
12.	Agashi/ Arnala	Area connected to / included in Agashi and Arnala, Virar West and East area as well as area north to these areas for example Palghar, Boisar, Dahanu etc.	1
13.	Umrале/ Gass	Area connected to / included in Umrале and Gass as well as Nalla Sopara West and East area.	1
14.	Nirmal/ Buigaon	Area connected to / included in Nirmal and Buigaon	1
15.	Gokhivare	Area connected to / included in Gokhivare, Wada Taluka and the area of its adjoining Talukas, as well as area of Thane, New Mumbai, Kalyan-Dombivali, Pune, Pimpri-Chinchwad and Nashik Municipal Corporation and the area which may come under operation of State of Goa, Gujrat and Union Territory of Dadra, Nagar & Haveli.	1
		TOTAL	16

- b) There will be reservation of one (1) seat for scheduled caste or scheduled tribes and two (2) seats for women amongst nineteen directors. The active members from all the constituencies who are eligible to vote to elect members of Board of Directors will have voting right to elect members from Reserve Category.
- ii) Co-opted Expert Director:- In the event the elected members of the Board do not have two members fulfilling the requirements of the Reserve Bank of India, the Board may co-opt two directors in addition to 19 directors as specified in Bye-Law No.34 (i), having experience in the field of banking, management and finance or having specialisation in any field relating to the object and activities undertaken by the Bank. However, such co-opted directors shall not be entitled to vote at the meeting of the Board of Directors or shall not be entitled to be elected as chairperson or vice chairperson. The period of Co-opted Directors shall be decided by the Board of Directors from time to time.
- iii) The Chief Executive Officer shall be Ex-Officio member of the Board;
- iv) The Board of Directors shall hold office for the period of 5 years. However, the Board in existence at the time of registration under the Act shall complete its remaining tenure upto June 2020. The elected member of the Board shall be eligible for re-election.
- v) Functional Director:-

In accordance with provisions of 97th constitutional amendments, the Board may at its discretion appoint one (1) Functional Director among the head of departments as defined in bye law no 2(xii); The functional director of the bank shall be member of the Board, however he shall be excluded for the purpose of counting total number of strength of directors as specified in above clause No.

33 (i). He shall not be entitled to vote at the meeting of the Board of Directors or committees/sub committees or shall not be entitled to be elected as chairperson or vice chairperson of Board of directors/ Committees/ Sub Committees. Board may remove him as functional director at any time.

33 BOARD OF DIRECTORS : (PLAN - B)

- i) The Board of Directors of the Bank shall consist of nineteen (19) directors
- ii) The Executive Management of the Bank shall vest in the hands of Board of Directors of the Bank
- a) Sixteen Directors (16) will be elected from General Category and Three Directors (3) from Reserve Category amongst the active members of the Bank as per the procedure laid down in Bye-laws as under :

Sr. No	WARD	Related Area	No. of Director seats
1.	WARD 'A'	Area connected to Papdy, Palli, Mulgaon, Vasai Koliwada, Remedy, Mercedes, Giriz, St. Thomas and Mira-Bhayander Municipal Corporation as well as Mumbai Municipal Corporation Suburban area.	9
2.	WARD 'B'	Area connected to Manickpur, Chulne, Gokhivare and Wada Taluka and the area of its adjoining Talukas, as well as area of Thane, New Mumbai, Kalyan-Dombivali, Pune, Pimpri-Chinchwad and Nashik Municipal Corporation, Ahmednagar and the area of operation of State of Goa, Gujrat and Union Territory of Dadra, Nagar & Haveli.	3
3.	WARD 'C'	Area connected to Nandakhal, Nanbhat, Agashi, Arnala, Umrale, Gass, Nirmal, Buigaon, Virar, Nalla Sopara as well as area north to these areas for example Palghar, Boisar, Dahanu, Saphale, Talasari, Kelve etc.	4
		TOTAL	16

- b) There will be reservation of one (1) seat for scheduled caste or scheduled tribes and two (2) seats for women amongst nineteen directors. The active members from all the constituencies who are eligible to vote to elect members of Board of Directors will have voting right to elect members from Reserve Category.
- ii) Co-opted Expert Director:- In the event the elected members of the Board do not have two members fulfilling the requirements of the Reserve Bank of India, the Board may co-opt two directors in addition to 19 directors as specified in Bye-Law No.34 (i), having experience in the field of banking, management and finance or having specialisation in any field relating to the object and activities undertaken by the Bank. However, such co-opted directors shall not be entitled to vote at the meeting of the Board of Directors or shall not be entitled to be elected as chairperson or vice chairperson. The period of Co-opted Directors shall be decided by the Board of Directors from time to time.
- iii) The Chief Executive Officer shall be Ex-Officio member of the Board;
- iv) The Board of Directors shall hold office for the period of 5 years. However, the Board in existence at the time of registration under the Act shall complete its remaining tenure upto June 2020. The elected member of the Board shall be eligible for re-election.

v) Functional Director:-

In accordance with provisions of 97th constitutional amendments, the Board may at its discretion appoint one (1) Functional Director among the head of departments as defined in bye law no 2(xii); The functional director of the bank shall be member of the Board, however he shall be excluded for the purpose of counting total number of strength of directors as specified in above clause No.

33 (i). He shall not be entitled to vote at the meeting of the Board of Directors or committees/sub committees or shall not be entitled to be elected as chairperson or vice chairperson of Board of directors/ Committees/ Sub Committees. Board may remove him as functional director at any time.

34 ELECTIONS OF THE MEMBERS OF THE BOARD:

- i) The conduct of the elections to the Board of the Bank shall be the responsibility of the existing Board;
- ii) The election of Members of Board shall be held in the manner as may be prescribed by the election schedule annexed with the Multi State Co-Op. Societies Rules, 2002;
- iii) The election of members of the Board shall be held in the General Meeting of the members of the Bank.
- iv) The elected Members of the Board shall be eligible for re-election;
- v) Where the Board fails to conduct election of the Members of Board, the Central Registrar shall hold the election within a period of 90 days from the date when such election became due;
- vi) No member of the Bank shall be eligible for being chosen as, or for being elected for the member of Board, if such member has been a member of Bank for less than 24 months immediately preceding the date of such election of appointment.
- vii) Board may keep the director's seat vacant occurred due to his/her death, resignation, disqualification, removal for any reason. However Board shall fill up such vacant post by election ;
The tenure of such director will be coterminous with the remaining tenure of other Members of the Board;

- viii) The expenses for holding election by the Central Registrar shall be borne by the Bank;
- ix) For the election of the Board of Directors if some of the contesting candidates form a panel or panels then all the candidates form such panels will be eligible to get a common symbol for each panel;
- x) The election of the Board shall be conducted before expiry of term of the Board so as to ensure that the newly elected members of the Board assume office immediately on the expiry of the office of members of the outgoing Board.

35 TERM OF THE BOARD OF DIRECTORS:

The term of the office of the elected Members of the Board of Directors shall be 5 years from the date of election. The elected Members of the Board shall be eligible for re-election. However the elected Members shall continue to hold office till their successors are elected or nominated under the provisions of the Act/Rules and Bye laws and assume charge of their office. Elections of Board of Directors shall be held as per the provisions of MSCS Act 2002 and Rules made there under.

36 ELIGIBILITY FOR ELECTION AS DIRECTOR :

- A Ordinary Member shall be eligible to be elected as Director if :-
 - (i) He is a member of the Bank at least twenty four (24) months prior to the date of election;
 - (ii) No Director or candidate for election to the Board of Directors of the Bank, at the time of nomination shall draw or have drawn loan from this Bank. However, he is entitle to avail secured loans against pledge of Fixed Deposits, Govt. Securities, Gold Ornaments and units of Unit Trust of India and Life Insurance Policies.
 - (iii) He is not guarantor to the defaulter borrower of the Bank
 - (iv) He should not be defaulter to any Co-operative Society registered under Multi State Co-op Societies Act 2002 or any Co-operative Society registered under any State Act, NBFC & Govt. dues;
 - (v) He held shares of at least Rs.15000/- and Deposit of at least Rs.100000/- at least One year prior to the date of election;
 - Provided that the elected Directors shall keep the above deposits for the entire tenure of the Board;

- (vi) The persons contesting from reserve seats (SC/ST and women candidates) shall comply with 50% of the criteria required for general category as mentioned in clause 36 (d) and further submit Caste Validation Certificate issued by Competent Authority.

37 DISQUALIFICATION FOR BEING A MEMBER OF BOARD :

- a. No Member of the Bank shall be eligible for being chosen as or for being a Member of Board, if such Member:-
- i) has been adjudged by a competent court to be insolvent or of unsound mind;
 - ii) is concerned or participates in the profits of any contract with the Bank;
 - iii) has been convicted for an offence involving moral turpitude;
 - iv) holds any office or place of profit under the Bank; provided that the Chief Executive Officer or such full time employee of the Bank as may be notified by the Central Government from time to time or a person elected by the employees of such Bank to represent them on the Board of such Bank shall be eligible for being chosen as, or for being, a Member of such Board;
 - v) has been a Member of the Bank for less than **two years** immediately preceding the date of such election or appointment;
 - vi) has interest in any business of the kind carried on by the Bank of which he is a member.
 - vii) has taken loan from the Bank or is otherwise indebted to the Bank and after the receipt of a notice of default issued to him by the Bank, has defaulted:-
 - b) in repayment of such loan or debt as the case may be, within the date fixed for such repayment or payment or where such date is extended, which in no case shall exceed six months within the date so extended or
 - c) when such loan or debt is to be paid in instalments, in payment of any instalment and the amount in default or any part thereof has remained unpaid on the expiry of six months from the date of such default;

Provided that a Member of the Board who has ceased to hold office as such under this clause shall not be eligible, for a period of one year, from the date on which he ceased to hold office, for reelection, as a Member of the Board of the Bank of which he was a Member or for the election to the Board of any other Multi state Co-operative Society;

- viii) is a person against whom any amount due under a decree, decision or order is pending recovery under the Act;
- ix) is retained or employed as a legal practitioner on behalf of or against the Bank, or on behalf of or against any other Multi state Co-operative Society which is a Member of the former Bank.

Explanation : For the purpose of this clause, 'Legal practitioner' has a same meaning as in clause (i) of subsection (1) of section 2 of the Advocates Act, 1961 (25 of 1961)

- x) has been convicted for any offence under the Act;
- xi) is disqualified for being a Member under Sec. 29 of the Act;
- xii) has been expelled as a Member under Sec 30 of the Act;
- xiii) absents himself from three consecutive Board Meetings and such absence has not been condoned by the Board;
- xiv) absents himself from three consecutive General Body Meetings and such absence has not been condoned by the Members in the General Body;
- xv) No Director or candidate for election to the Board of Directors of the Bank, at the time of nomination shall draw or have drawn loan from this Bank. However, he is entitle to avail secured loans against pledge of Fixed Deposits, Govt. Securities, Gold Ornaments and units of Unit Trust of India and Life Insurance Policies.
- xvi) No Director shall stand as a surety or guarantee in this Bank for any borrower and no candidate for election for Directorship should be guarantor or a surety in this Bank on the date of nomination.
- xvii) A member of the Bank shall not be eligible to be elected as Chairperson or President or Vice-Chairperson or Vice-President of the Bank if such member is Minister in the Central Govt. or a State Govt.

No member of the Board shall be eligible to be elected as Chair person or President of the Bank after he has held the office, as such during two consecutive terms, whether full or part; provided that a member who has ceased to hold the office of the Chairperson or President continuously for one full term shall again be eligible for election to the office as such.

- r) No person shall be eligible to hold, at a same time, office of the President or Chairperson or Vice-President or Vice-Chairperson on the Board of more than two multi-state Co-operative Societies
- 2) A person shall not be eligible for being re-elected as Member of Board of the Bank for a period of five years if the Board fails;
 - a) to conduct elections of the Board under Sec 45 of the Act; or
 - b) to call the annual General Meeting under Sec 39 of the Act; or
 - c) to prepare the financial statements and present the same in the annual General Meeting.

38 MEETINGS OF THE BOARD OF DIRECTORS:

- (i) The Board of Directors shall meet as often as is necessary to transact business and at least once in every month;
- (ii) The Meetings of the Board of Directors shall normally be held at the registered office of the Bank. In exceptional cases, the Meetings of the Board may be held at any other place as decided by the Board;
- (iii) The Meetings of the Board of Directors shall be presided over by the Chairman or in his absence by the Vice Chairman and in the absence of both Chairman & Vice-Chairman, the Directors present in the Meeting shall elect a Chairman for the Meeting from among themselves;
- (iv) 5 days notice shall ordinarily be necessary for the Meeting of the Board of Directors and 3 days of notice for the meeting of sub committees / executive committee. However, in case of urgency any shorter notice may be given.
- (v) If Chairman or Vice-Chairman fail to fix the date of meeting of the Board, Chief Executive Officer of the Bank shall convene the meeting on receiving requisition from minimum $\frac{1}{4}$ of the Directors.
One third of the total strength of the Board of Directors, shall form a quorum of the Board Meeting and participation of the Director by Video Conferencing and other electronic means shall also be counted for purpose of quorum.

Note: If 1/3 of the total number of Directors is a fraction figure, it shall be rounded to the nearest figure on upper side and such rounded figure shall constitute a quorum.

- (vi) Two subject matter specialist may be invited by the Board in any of its Meeting whenever necessary;

39 CHAIRMAN AND VICE-CHAIRMAN :

There shall be a Chairman and a Vice-Chairman elected by the Board of Directors from amongst themselves. The Chairman and in his absence, the Vice-Chairman shall preside over the Meeting of the General Body and the Board of Directors. The terms of 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 through re-election for the unexpired term of the Board.

40 POWERS & FUNCTIONS OF THE BOARD OF DIRECTORS:

- i) Make, vary or repeal rule / rules for efficiently carrying on the business of the Bank;
- ii) To consider applications for membership, allotment of shares, transfer of shares and resignation;
- iii) To elect Chairman and Vice Chairman of the Bank;
- iv) To raise with or without security, loans, overdraft, cash credits, advances, refinance, line of credit and rediscounting facilities; from other institutions and to raise funds from money market within the maximum limit of borrowing and to approve the terms and conditions of such borrowings;
- v) To approve and place the annual report, financial statements, annual plan and budget for the approval of the General Body;
- vi) To deal with the dispose off applications for loans and credit facilities, funding and non funding and to sanction the same on such terms and conditions as may be deemed fit and proper and to reject any such application, at its sole discretion;
- vii) To authorize an/any officer of the Bank, to grant loans/credit facility upto such limits, for such period and upon such terms and conditions as it may deem fit;

- viii) To allow a remission or rebate of interest on loans or other costs/expenses as decided by the Board from time to time;
- ix) To compound any claim by or against the Bank or allow time for the repayment or satisfaction of any debt due or condone delay in payment of installment, on such terms as it thinks fit;
- x) To classify the loan accounts as NPA as per the Reserve Bank of India guidelines and to recall a credit facility;
- xi) To enter into participation and/or consortium arrangements with any commercial or co-operative Bank and Financial Institution for the purposes of achieving the objects of the Bank and to determine the terms and conditions of participation and/or consortium;
- xii) To consider cases of arrears and defaults in loans, advances and other dues due from members and others and take/approve action to be taken for recovery of the same;
- xiii) To consider the proposal to modify, alter, delete and add to the terms and conditions governing the outstanding loans, overdrafts, cash credits and advances due from members and others;
- xiv) To formulate from time to time policy for investment or deposit of funds of the bank and to invest or deposit accordingly.
- xv) To approve, purchase, sale and/or pledge of government and trustee securities and other approve securities on behalf of the Bank and to delegate powers to the Chief Executive Jointly with any executive officer, for the purpose of purchase, sale and / or pledged as the case may be of such securities. However, statement of such investment will be placed before the next meeting of the Board of Directors for ratification;
- xvi) To consider proposals for opening Branches / Offices;
- xvii) To consider proposals for creating posts of officers and juniors and other staff on the Bank's establishment and to frame rules prescribing the procedure for filling the vacancies either by direct recruitment or by promotion from the existing members of staff and fix their qualification, scales of pay and allowances and regarding disciplinary action against erring employees including their suspension or removal in any manner as may be deemed fit and proper;
- xviii) To appoint and remove a Chief Executive and other employees of the Bank.

- xix) To fix the rate of interest on loans and deposits as per directions of the Reserve Bank of India issued from time to time.
- xx) To constitute an Executive Committee and other committees or sub committees as may be considered necessary;
- xxi) To decide the scope and functions of the Executive Committee and other Committees or Sub Committees;
- xxii) To delegate powers of the Chief Executive or to any other officer/s of the Bank in respect of sanction of loans and advances and to authorise them to represent the Bank in legal proceedings and other matters;
- xxiii) To make, alter, rescind or abrogate the rules from time to time.
- xxiv) To institute, defend, conduct, compromise, abandon or withdraw any legal proceedings by or against the Bank or its officers or employees.
- xxv) To refer to the Central Registrar or any other duly appointed authority any claims, disputes or demands by or against the Bank or its officers or employees for arbitration.
- xxvi) To secure membership of or affiliation to appropriate institutions and to nominate representatives. of the Bank on such institutions;
- xxvii) To engage brokers, agents, experts, consultants, advocates and enquired officers and other personnel or agency or a firm and to fix there remuneration or fees;
- xxviii) To incur expenditure necessary for efficiently carrying on the business of the Bank and examine and check accounts;
- xxix) To hear and dispose off complaints;
- xxx) To authorize the operations of the Bank accounts and signing or endorsing on behalf of the Bank of negotiable instruments and other documents relating to the business of the Bank in such manner as the Board may from time to time determine;

- xxxi) Notwithstanding anything contained in any other Bye-law for the time being enforce, the Board may, by a resolution or by a power of attorney, authorize any director or any officer; either singly or jointly with another director or officer;
- a) To authorize the rediscounting of bills/promissory notes of whatever description or nature discounted by or with the Bank from time to time in such manner and upon such terms and conditions as the Director and/or officer may think fit or as any other financial agency, institutions/Bank may impose or require;
 - b) To transfer, accept or endorse promissory notes, bill of exchange, hundies or other negotiable instruments;
 - c) To enter into , make, sign, execute and to do all such contracts, arrangements, undertakings, receipts, payments, letters, certificates, declarations, instruments and things as may in there opinion be necessary or convenient or as may be required by any such other bank/financial agency/institution from time to time and in particular to waive presentations of bills of exchange and promissory notes on behalf of the Bank;
 - d) To execute on behalf of the Bank documents to which Bank is a party;
 - e) To present documents for registration at the offices of the sub registrar and to admit on behalf of the Bank, execution of documents to which Bank is a party and to identify its seal;
- xxxii) To interpret the organizational objectives and set up specific goals to be achieved toward the objectives of the Bank;
- xxxiii) To authorize convening of meetings of the General Body/Special General Body;
- xxxiv) To consider statutory audit report and place the same before the General Body;
- xxxv) To acquire or dispose off moveable and immovable property for the Bank on such terms as may be decided from time to time;
- xxxvi) To review the Membership in other co-operatives;
- xxxvii) To approve annual and supplementary budget and sanction the expenditure for proper and efficient working of the Bank;

- xxxviii) To recommend to the General Body distribution of profits;
- xxxix) To prepare the panel of auditors as per the decision of the General Body;
- xxxx) To appoint committees or sub committees as may be necessary and delegate to them such power as may be appropriate;
- xxxxi) To decide upon payment of conveyance, travelling expenses, sitting fees etc., to the members of the Board;
- xxxvii) To frame regulations for the elections of delegates to the General Body, Members to the Board of Directors for the conduct of meetings of the General Body and the Board of Directors as per the provisions of the Act ;
- xxxviii) To formulate policy for floating subsidiary companies, form such companies and control their affairs;
- xxxviiii) To arrange for election of the Directors of the Board;
- xxxv) To open a Bank Account or Deposit Accounts with any Bank or Financial Institution and to authorize Executive Officer/Officers of the Bank to deal with the same;
- xxxvi) To make, alter, rescind or abrogate the rules from time to time regarding the following;
 - a) Deposits of all types;
 - b) Loans, advances and other Banking Business ;
 - c) Travelling allowance to Directors and Salaried Staff;
 - d) Provident Fund, Bonus and Gratuity;
 - e) Recruitment of the staff;
 - f) Service conditions of the Staff;
- xxxvii) To perform all acts connected with the administration of the Bank and to undertake all activities and business in furtherance of the aims and objects of the Bank;

- xxxxviii) To take such other measures or to do such other acts as may be required under guidelines of the Reserve Bank of India;
- xxxxix) To take such other measures to do such other acts as may be prescribed or required under the Act and the Rules framed there under or the Bye-laws or as may be delegated by the General Body;
- xxxxx) To decide or provide for Arbitration Agreement in respect of dispute between Bank and members; regarding recovery of dues and other matters on the aspects as provided in the Arbitration and Conciliation Act, 1996 or the relevant law as may be applicable.
- xxxxxi) To fix or decide the procedure to be followed regarding the transaction of the Bank with non members including provision for suitable Arbitration Agreement wherever practicable.
- xxxxxii) To consider and approve OTS (One-Time Settlement)/Compromise Settlement Scheme/s, waiver of the Loans of the Borrower.

41 VACATION OF OFFICE BY A DIRECTOR :

A Director shall be deemed to have vacated his office before the expiry of his term if:-

- i) he attracts any of the disqualifications mentioned in Sec 43 of the Act or
- ii) he attracts any of the disqualifications mentioned in Bye Law clause No 37 or
- iii) he resigns and his resignation duly accepted by Board or
- iv) he ceased to be a Member.

42 REMOVAL OF ELECTED MEMBER OF THE BOARD BY THE GENERAL BODY :

An elected Member of the Board, who has acted adversely to the interest of the Bank, may on the basis of a report of the Central Registrar or otherwise be removed, from the Board, upon a resolution of the General Body passed at its Meeting by a majority of not less than 2/3rd of the Members present and voting at the said Meeting;

Provided that the Member concerned shall not be removed unless he has been given a reasonable opportunity of making representation in the matter;

43 COMMITTEES/ SUBCOMMITTEES :

The Board of Directors may constitute an Executive Committee and other committees/ sub-committees as may be considered necessary provided that other Committees or Subcommittees other than the Executive Committee shall not exceed three.

Out of such 3 committees one shall be an Audit and Ethics Committee. The Board may delegate any of its powers and functions, mentioned in Bye-Law No.38 to an Executive Committee consisting not more than 10 members of the Board of Directors, 50% or minimum 3 members whichever is higher shall form the quorum for the Meeting of the Executive Committee. The Composition of the Committees/Sub Committees, their functions, quorum, Day of Notice etc., shall be as decided by the Board of Directors from time to time.

Chairman of the bank shall preside over Executive Committee and all sub committees as chairman.

Chief Executive Officer shall be ex-officio members of Executive Committee and all sub committees.

44 POWERS AND FUNCTIONS OF THE CHAIRMAN:

The Chairman shall have the following powers and functions: -

- i) He shall preside over the Meeting of the General Body, Board of Directors and Executive Committee;
- ii) The Chairman shall sign the proceedings of all the Meetings presided over by him;
- iii) In the event of equality of votes on a resolution the Chairman shall have a casting vote in the Meeting;
- iv) Perform such other duties and exercise such other powers as may be specified in the Act, Rules and Bye-Laws or delegated by the Board.
- v) To convene the Meeting of the Board of Directors, Executive Committee and other Committees of which he is the Chairman;
- vi) The Chairman may delegate any of his powers and functions to the Vice-Chairman;

45 PROHIBITION TO HOLD OFFICE OF CHAIRMAN OR VICE CHAIRMAN IN CERTAIN CASES:

- i) No Member of the Board shall be eligible to be elected as Chairman or Vice-Chairman of the Bank if he is a Minister in the Central Government or State Government.
- ii) No Member of the Board shall be eligible to hold, at the same time, office of the Chairman or Vice-Chairman on the Board of more than two Multi State Co-operative Societies.

- iii) No Member of the Board shall be eligible to be elected as Chairman of the Bank, after he has held office, as such during two consecutive terms whether full or part.

Provided that a Member of the Board who has ceased to hold the office of the Chairman continuously for one full term shall again be eligible for election of the office as such.

46 CHIEF EXECUTIVE OFFICER:

Chief Executive Officer shall be the Chief Executive of the Bank and shall be appointed by the Board of Directors. He/She shall be full time paid employee of the Bank. He/She shall aid and assist the Board of Directors in their functions. The Chief Executive shall be an ex-officio Member of all the Board and of the Executive Committees and such other committees or Sub-committees as may be constituted.

47 POWERS AND FUNCTIONS OF THE CHIEF EXECUTIVE OFFICER:

The Chief Executive shall, under the General Superintendence, direction and control of the Board, exercise the powers and discharge the functions specified below, viz. :

- (i) Day to day management of the Business of the Bank;
- (ii) Convening the meeting of General Body of the Bank, the Board and the Executive Committee and other committees or sub-committees constituted under sub-section (1) of Section 53 of the Act in a consultation with the Chairman and maintaining proper records for such meetings;
- (iii) Operating the accounts of the Bank and be responsible for making arrangements for safe custody of cash;
- (iv) Signing on the documents for and on behalf of the Bank;
- (v) Making arrangements for proper maintenance of various books and records of the Bank and for the correct preparation, and timely submission of periodical statements and returns in accordance with the provision of the Act, Rules and Bye-Laws;
- (vi) Making appointments to the posts in the Bank as may be approved by the Board of Directors;
- (vii) Assisting the Board in the formulation of the policies, objectives and planning;

48 DEPOSITS:

- i) Deposits may be received at any time within the limits determined under the Act, Rules and Bye-Laws, on such rates of interest and subject to such Rules and Regulations as may be fixed by the Board of Directors and also subject to the directives issued by the Reserve Bank of India in this behalf from time to time;
- ii) Deposits may be received on current, savings, fixed, recurring, cumulative and under any other special scheme/s;
- iii) All the deposits of the Bank shall be insured under DICGC Act 1961 and shall be governed by the various sections of the DICGC Act;

49 LOANS AND ADVANCES:

- A) Loans, cash credits and/or overdrafts on current accounts may be granted to Members on security or securities mentioned below or other security or securities approved by the Board of Directors or without security:-
 - i. Personal security and/or surety/sureties of other Member/Members;
 - ii. Collateral security of movable and immovable property;
 - iii. Industrial, mercantile, agricultural and other marketable commodities or machinery under pledge, hypothecation or charge of the Bank;
 - iv. Pledge of Government, trustee securities, shares of approved companies, debentures and fixed deposits;
 - v. Insurance policies assigned to the Bank within the surrender value;
 - vi. Warehouse receipts;
 - vii. Gold and silver ornaments ;
 - viii. Any other tangible security;
 - ix. The Board may frame detailed loan Regulations prescribing proportion of unsecured loans to total loans and advances, proper terms and conditions and the nature of securities acceptable for loans and advances for different purposes;
- B) Short-term loans will be for periods up to 15 months, Medium-term loans for 15 months to 5 years and long-term loans over 5 years;

50 LINKING OF SHAREHOLDING WITH LOAN LIMITS :

- i) A borrower shall subscribe at least 3 per cent (3%) of his borrowings if such borrowings are on an unsecured basis, i.e. in the form of clean overdrafts, loans against one or two personal sureties and purchase/discount of clean bills and cheques;
- ii) A borrower having loan against tangible securities shall subscribe to shares of the Bank to the extent of at least 2 ½ per cent of his borrowings from the Bank;
- iii) In the case of loans for small-scale industrial units, the linking of share capital might be fixed initially at one per cent of the borrowings, to be raised in the course of the next two years to 2 ½ percent;
- iv) Provided that As per RBI guidelines, if the Capital Adequacy Ratio (CRAR) as per audited financial of immediately preceding year is 12% or more or as prescribed by RBI in this regard from time to time, then Bank need not to obtain linking shares at the rate of 5% or 2.5% as mentioned in clause (a), (b) or (c) above except minimum shares to be subscribed as per Bye law clause No.7(i).
- v) Provided that no borrower shall hold shares of the Bank for more than Rs.5 lakh

51 DISTRIBUTION OF PROFIT:

Subject to the provisions of the Act and Rules framed there under, Bank shall,

- i) Transfer at least 25% of net profit to the statutory reserve fund;
- ii) Credit one per cent of its net profit to the cooperative education fund maintained by the National Cooperative Union of India; in the manner as may be prescribed;.
- iii) Transfer an amount of at least 10% to the reserve fund for Meeting unforeseen losses.

52 MAXIMUM LIMIT FOR NON BANKING EXPENSES :

- i) The bank shall not give nay donation or advertisement to any concern in which the Director/s or his family members are having personal interest.
- ii) The bank shall not incur any expenses nor sponsor third party advertisement.
- iii) For incurring any expenses of social nature, bank shall form a social obligation fund and prepare separate Rules to distribute the same.
- iv) The Bank shall restrict its yearly expenses towards donation, social help etc. within the limit prescribed, as permitted by RBI.

53 UTILISATION OF BALANCE OF NET PROFIT:

The balance of the net profit may be utilized for all or any of the following purposes:-

- i) Payment of dividend to Members on their paid up capital at the rate not exceeding 15%. However such payment shall be paid only out of net profit and in no case the capital or the reserve shall be distributed as dividend;
- ii) Contribution to the special funds including education fund not exceeding 10%. The education fund may be utilized for the education and training of members, directors and employees as approved by the Board of Directors.
- iii) Payment of ex-gratia amount to employees as approved by the Board of Directors;
- iv) To transfer to Building Fund at the rate of 10% of the net profits or at such rate as may be recommended by the Board of Directors;
- v) Donation of amounts not exceeding 5 %, of the net profits for any purpose connected with the development of cooperative movement or charitable purpose as defined in section 2 of the Charitable Endowments Act, 1890 (6 of 1890);
- vi) To transfer to General Reserve at the rate not exceeding 5% of the net profit or at such rate as may be recommended by Board of Directors;
- vii) To create any other fund as may be recommended by Board of Directors;
- viii) To transfer to Investment Fluctuation Reserve as per RBI guidelines.
- ix) Remaining net profit ,if any, shall be added to the Reserve Fund and/or carried forward to next year as may be recommended by Board of Directors;

54 INVESTMENT OF FUND:

The Bank may invest or deposit its funds as per prevalent guidelines issued by Reserve Bank of India from time to time in:-

- i) State or Central Cooperative Bank including Cooperative Land Development Bank;
- ii) Securities specified in section 20 of the Indian Trust Act 1882;
- iii) Central and State Govt. securities;
- iv) Shares and Securities of any other subsidiary institutions;
- v) State Bank of India or any of its subsidiaries;
- vi) Nationalised Banks/ Public Sector Banks;

- vii) Scheduled Commercial Banks/Scheduled Private Banks;
- viii) Any other mode duly approved by the Board of Directors in conformity with guidelines issued by Reserve Bank of India from time to time.

55 RESERVE FUND :

- (i) In addition to the sum prescribed under the Act, Rules and Bye-laws, all admission fees, entrance fees, nominal Membership fees, amount of forfeited shares and dividends and donations and any unclaimed amounts since last three years and penalties shall be carried to the Reserve Fund;
- (ii) Any loss occurring as the net result of the year's working, may with the previous sanction of the Registrar is made good from the Reserve Fund or from the profits of the next ensuing year or years;
- (iii) The Reserve Fund shall be separately invested in Government and Trustee Securities or other approved securities or in fixed deposits with the District Central Co- operative Bank or the State Cooperative Bank;

56 DIVIDEND:

- (i) The dividend declared shall be paid to the person whose name stands as the registered shareholder in the books of the Bank on the last day of the co-operative year to which the dividend relates;
- (ii) Dividend shall be proportionate to the amount paid on shares and the period in completed days for which the amount stood to the credit of the shareholder;
- (iii) Any dividend remaining undrawn for three years after having been declared shall be forfeited and shall be carried to the Reserve Fund of the Bank;
- (iv) Unpaid dividend shall be payable on application provided the same has not been forfeited;
- (v) Dividend remaining unpaid or un-drawn shall not bear any interest

57 ACCOUNTS AND RECORDS :

Accounts and records shall be maintained in forms prescribed or approved by the Central Registrar Co-operative Societies and the Reserve Bank of India with such additions as the Board of Directors consider necessary. Any Member of the Bank may inspect any of the registers or records during office hours in so far as they relate to his own business transaction.

58 COPIES OF ACT, RULES, BYE-LAWS ETC. TO BE OPEN FOR INSPECTION :

The Bank shall keep a copy of the Act, rules and bye-laws and also a list of members open for inspection to its members free of charge at all reasonable time at its registered address.

59 RIGHT OF MEMBER TO GET INFORMATION :

Every Member of the Bank shall have access to the books, information and accounts of the Bank kept in regular transaction of its business so far it relates to his own transactions. Bank shall appoint information officer for this purpose.

60 AUDIT :

- (i) The accounts of the Bank shall be audited by an Auditor appointed from the panel of auditors approved by the Central Registrar or from a panel of auditors, if any, prepared by the Bank at least once in each year and the remuneration of auditors shall be fixed by the Bank. The appointment of the Auditor and his remuneration shall be approved in the General Body Meeting.

Accounts of the Bank shall be audited within 6 months of the close of the Financial year to which accounts relate.

- (ii) Bank shall constitute Audit Committee of their Boards to look into implementation of guidelines issued by RBI from time to time in this regard;
- (iii) The Bank shall ensure the compliance of the 97th constitutional amendments in provisions relating to Audit;

61 SETTLEMENT OF DISPUTES :

All the disputes shall be referred to Arbitration in accordance with the provisions of Sec. 84 of the Act and Rules.

62 LIMITATIONS :

The limitation period in disputes shall be as per the provisions of Sec 85 of the Act.

63 SERVICE RULES:

The Bank may frame Service Rules for regulating the service conditions of the employees as formulated and amended by the Board from time to time.

64 CONTRIBUTORY PROVIDENT FUND:

The Bank 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.

65 CO-OP. EDUCATION AND TRAINING:

The Bank shall organize co-op. education and training programs for the Member, Directors and Employees at in-house training or any other institutions as the Board of Directors may decide from time to time. Fund required for such co-op. education programs shall be provided by the Bank from time to time.

66 FILING OF RETURNS :

Every year, within six months of the closure of the accounting year, the Bank shall file the following return with the Central Registrar as per the provision of Section 120 of the Act viz:-

- (i) Annual Reports of the activities;
- (ii) Audited statement of accounts;
- (iii) Plan for Surplus disposal as approved by the General Body;
- (iv) List of amendment to the bye-laws of the Bank;
- (v) Declaration regarding date of holding of the General Body Meeting and conduct of Election where due;
- (vi) Any other information required by the Central Registrar in pursuance of any of the provisions of the Act;

67 EMPLOYEES PARTICIPATION :

The Board may revise procedure for the participation of the Employees through administrative instructions.

68 WINDING UP:

If winding up is necessary, it will be done as per the provision of the Act.

69 MISCELLANEOUS:

- (i) No act of the General Body or the Board of Directors shall be deemed invalid by reason of any defect in the election of a Member thereof or by reason of any vacancy therein not having been filed in;
- (ii) The Bank may become the Member of the Maharashtra State Co-Operative Bank Ltd., and the Thane District Central Co-Operative Bank Ltd., or any other State or District Co-Operative Bank as decided by the Board of Directors from time to time within the area of operation.
- (iii) The Bank may be subscribing Member of the following :
 - (a) The National / State Federation of Urban Co-operative Banks/Societies;
 - (b) The Regional / District Federation or Association of Urban Co-operative Banks;
 - (c) The Maharashtra Rajya Sahakari Sangh / District Co-Operative Board or any other such organization as decided by the Board of Directors from time to time within the area of operation;
- (iv) Execution of Decrees, Orders and decisions shall be as per the provision of Chapter XI of the Act;
- (v) Appeals and Reviews shall be as per the provisions of Chapter XII of the Act;
- (vi) Offences and penalties shall be as per the provisions of Chapter XIV of the Act;
- (vii) If any doubt arises in the interpretation of the Bye-laws of the Bank, the same shall be referred to the Central Registrar for his advice and his decision shall be final;
- (viii) The matters which have not been provided for herein shall be decided in accordance with provision of the MSCS Act 2002 and Rules made there under;

- (ix) The Bank shall duly ensure compliance of the 97th constitutional amendments;
- (x) Every certified copy issued by the Bank shall bear the signature of Chief Executive Officer or any director or any officer of the Bank who is empower by the Board in that behalf and stand of the Bank.
- (xi) Chief Executive Officer or any Director or any officer of the Bank who is empowered by the Board in that behalf shall be entitle to issue certified copy of any entry in the books maintained by the Bank.

ggd/MULTISTATE FOLDER
MULTISTATE BYE-LAWS-07.06.2017/pmc