

Dombivli Nagari Sahakari Bank Ltd. (Multi-State Scheduled Bank)	
<u>Bye-Laws W.E.F. 02nd July, 2026</u>	
Bye Law No.	BYE-LAWS
1	NAME:-
	The Bank shall be called Dombivli Nagari Sahakari Bank Ltd. (Multi State Scheduled Co operative Bank), registered under MSCS Act 2002, Registration No. of Bank is MSCS/CR/1275/2017 and the Bank has been granted license by R.B.I. to carry on banking business vide license no. ACD.MH.227 P dated 09-10-1980.
2	REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS:-
	The Registered office and principal place of business of the bank is and shall be situated in Thane District which is presently situated at “Madhukunj”, Plot No.P-52,MIDC Phase-II, Kalyan Shil Road, Dombivli (East), State of Maharashtra - 421 204. Electronic Address: Web Site: https://dns.bank.in E-mail: boardsec@dns.bank.in. Any change in registered office shall be notified to the Central Registrar within a period of 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 procedure laid down in Sec 11 of the Act. The Bank is a body corporate which can sue & be sued in its name.
3	AREA OF OPERATION:-
	The Area of Operation of the Bank is and shall be entire state of Maharashtra, Madhya Pradesh, Gujarat and Karnataka. For any revision in this regards, prior approval of Reserve Bank of India as also Registering Authority shall be necessary.
4	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 Co-operative Societies Act, 2002 as may be amended from time to time. ii) The ‘Rules’ means the Multi-State Co-operative Societies Rules, 2002 made under Multi-State Co-operative Societies Act, 2002 and as may be amended from time to time. iii) ‘Government’ means the Government of India. iv) ‘Central Registrar’ means the Central Registrar of Co-operative Societies appointed under the provisions of the Multi State Co-operative Societies Act, 2002. a) ‘Authority’ means The Co-operative Election Authority established under the Sub section (1) of section 45. b) Co-operative Ombudsman means the Ombudsman appointed by the Central Government under section 85 A. v) MEMBER:- 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) '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.

vi) 'Bank' means Dombivli Nagari Sahakari Bank Ltd.

vii) '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 Act in force and includes amendments there to which shall be duly registered or shall be deemed to have been registered under the Act and rules.

viii) '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 provisions of the Act, Rules and Bye-laws.

ix) 'Officer' means a Chairman, Vice-Chairman, Managing Director, Chief Executive Officer, General Manager, Secretary, Manager, Members of the Board, Treasurer, Liquidator and Administrator appointed under section 123, of the Multi-State Co-operative Societies Act, 2002 and includes any other person empowered under Multi-State-Co-operative Societies Act or the Rules or the Bye-laws to give direction in regard to business of the Bank.

x) 'Person' means an adult individual, Partnership Firm, LLP, Company registered under Companies Act, 2013 or any other Body Corporate constituted under the law for the time being in force, Society registered under the Societies Registration Act, 1860, any other Society registered under the relevant societies Act, Local Authority, Central Government, State Government and Trust registered under any law for the time being in force for registration of such trusts and as provided in the Act, Rules and Bye-laws.

xi) 'The Executive Officer' means officer appointed by the Bank and to whom the powers are delegated as per the resolutions passed in the meeting of the Board of Directors from time to time.

xii) '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 representative to the General Body of the Bank or a person who is duly authorised by the Board of the Member Bank to represent the Bank in General Body of the Bank of which the Society is a member.

xiii) 'General Body' means all the ordinary members of the Bank and includes a body constituted as per the provisions of the Act, Rules and Bye-laws.

xiv) 'Board' means the Board of Directors of the Bank and includes Board in existence at the time of Registration under the Act.

xv) 'General Meeting' means a meeting of the General Body and includes the Special General Meeting.

xvi) 'Co-operative Society' means a co-operative society registered or deemed to be registered under any law relating to co-operative societies for the time being in force in any State or Union Territory.

xvii) 'Multi State Co-operative Society' means a co-operative society registered or deemed to be registered under the Multi State Co-operative Societies Act, 2002.

	xxviii) ‘National Co-operative Society’ means Multi-State Co-operative Society specified in the second schedule to the Multi-State Co-operative Societies Act, 2002. xxix) ‘Federal Co-operative’ means a federation of Co-operative Societies registered under the Multi-State Co-operative Societies Act and whose membership is available only to Cooperative Society or a Multi-State Co-operative Society. xx) ‘A Co-operative Bank’ means a Multi-State Co-operative Bank / State Co-operative Society which undertakes Banking Business. xxi) ‘Reserve Bank’ means the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934. xxii) ‘Deposit Insurance Corporation’ means the Deposit Insurance and Credit Guarantee Corporation established under section 3 of the Deposit Insurance Corporation Act, 1961. xxiii) ‘Defaulter’ means a member who has defaulted in payment of any kind of dues payable to the Bank. xxiv) ‘Willful 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. xxv) ‘Financial Year’ means the period from 1st of April to 31st March. xxvi) ‘Area of Operation’ means the area from which the persons are admitted as members of the Bank. xxvii) ‘Co-operative Principles’ means the Co-operative principles as specified in the first schedule of the Multi-State Co-operative Societies Act, 2002. xxviii) ‘Notification’ means a notification published in the official gazette. xxix) ‘Prescribed’ means prescribed in accordance with the Act, Rules and Bye-laws. xxx) ‘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. xxxi) ‘Minimum Level of Services’ means to maintain with the Bank average daily balance during the previous financial year as under : a. Any type of deposit of ₹ 7,000/- OR b. Any type of loan amount aggregating to ₹ 1, 00,000/-
5	OBJECTS AND FUNCTIONS:-
	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/ engage in the following forms of business/ activities, namely: i) To encourage thrift, self-help and co-operation amongst the members in more than one state ; ii) To accept deposits of money from the public for the purpose of lending or investment, repayable on demand or otherwise and withdrawable by cheque, draft, order, electronic mode or otherwise; iii) To borrow or raise money; iv) To lend or to advance money either upon or without security to members and others as permitted by the Reserve Bank of India;

v) To draw, make , accept , discount , negotiate, endorse , discharge, buy, sell, collect and deal electronically or otherwise in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, certificates, scrips, and other instruments, Government and other securities whether transferable or negotiable or not, whether secured or not;

vi) To grant, negotiate, endorse, discharge, and to issue letters of credit, travelers' cheques and circular notes and to do all forms of Foreign Exchange Business as may be permitted by Reserve Bank of India.

vii) To buy, to hold and to sell foreign exchange including foreign Bank notes as may be permitted by the Reserve Bank of India;

viii) 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, irrespective of its form or tenor as may be permitted by the Reserve Bank of India from time to time;

ix) To purchase and to sell bonds, scrip's, securities or other forms of securities on behalf of constituents, electronically or otherwise;

x) To receive all kinds of bonds, scrip's, securities, valuables for deposit or for safe custody or otherwise electronically or otherwise;

xi) To provide safe deposit vaults and ancillary services;

xii) To collect and transmit money and securities electronically or otherwise;

xiii) To sanction, disburse, recover and negotiate loans and advances;

xiv) To assign, transfer or sale the rights, title and interest in the loans for raising funds;

xv) To carry on and to transact every kind of guarantee and indemnity business for and on behalf of constituents;

xvi) To effect, to insure, to guarantee, to underwrite, to participate in managing and carrying out any issue, public or private, of State, Municipal or other loans or of shares, stocks, debentures, debenture stock of any company, corporation or association and to lend money for the purpose of any such issue;

xvii) To acquire, to construct, to maintain and carry out alteration to any building or works necessary or convenient for the purposes of the Bank;

xviii) To acquire, hold and deal in property or title, right, interest in such property which may form security / part of security or connected with security for any loans and advances;

xix) To manage, to sell and to realize any property which may come into the possession of the Bank in full or part satisfaction of any of its claims;

xx) To open Branches, Extension Counters and Offices, to appoint Business Correspondents / Business Facilitators 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 and to conduct and to carry on Banking Business;

xxi) To merge with, amalgamate with, takeover, acquire other bank/s co-operative bank/s, cooperative societies to manage and to undertake the whole or part of the business of any other bank/ co operative bank/ society with the prior permission of the Reserve Bank of India and the Central Registrar;

xxii) To establish, to support or to aid in establishment of associations, institutions, funds, trusts and conveniences calculated to benefit members, employees / ex-employees of the Bank or the dependents of such persons and to grant pensions;

xxiii) To prepare and to finance schemes for the amelioration of the financial condition of the members;

xxiv) To provide financial and technical assistance to industry and Cottage Industries and to help self-employed persons for setting up their own business;

xxv) To enter into participation, consortium arrangement / arrangements with any other Bank or Banks or financial institutions with the object of granting loans and advances;

xxvi) To do any other form of business as specified in clause (1) of section 6 of the Banking Regulation Act, 1949;

xxvii) To act as agents for collection of money on behalf of various Government, quasi Government and Statutory Bodies;

xxviii) To grant loans to any co-op society including any housing society for redevelopment of that society or any other purpose as per RBI guidelines and as approved by CRCS ;

xxix) To undertake any other form of business which the Central Government may specify as a form of business in which it is lawful for a co-operative Bank to engage;

xxx) To act as Trustees & Executors of Will and Probate etc.

xxxi) To promote the interests of members to attain their social and economic betterment through self-help and mutual aid in accordance with the co-operative principles;

xxxii) To serve interests of members in more than one state;

xxxiii) To promote one or more subsidiary companies which may be registered under any law for the time being in force for furtherance of its stated objects;

xxxiv) To undertake insurance business as Corporate Agents or on referral basis to the members and public;

xxxv) To take or otherwise acquire and hold shares in any other Bank with limited liability;

xxxvi) To take all necessary effective measures to recover overdues and to take necessary actions under the provisions of various acts applicable to the Bank from time to time;

xxxvii) To develop and built Brand Image of the Bank and to do all such things incidental to build Bank's brand/image;

xxxviii) To acquire, let, give on hire or share with other organizations, the technologies, assets (immovable and movable, actionable claims and rights and/ or information and know-how whether tangible or intangible or otherwise) and services of the Bank;

xxxix) 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;

xxxx) To do all such other things as are incidental and conducive to the promotion or advancement of objects and the business of the Bank;

xxxxi) To meet social obligations, give donations to various organizations who serve for betterment of the society

6	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 [(A) Perpetual Non-Cumulative Preference Shares {PNCPS}-Tier –I Capital, (B)Perpetual Cumulative Preference Shares {PCPS}- Tier –II Capital, (C) Redeemable Non- Cumulative Preference Shares {RNCPS} -Tier–II Capital, (D) Redeemable Cumulative Preference Shares {RCPS}- Tier –II Capital)] Long Term (Subordinated) Deposits (LTDs), unsecured debentures or special shares and /or any other instruments at face value and equity shares at face value or at premium by way of public issue or private placements. The Periodicity of all above instruments should be minimum 10 Years or as directed by the Reserve Bank of India.” 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 the Reserve Bank of India and / or the Central Registrar from time to time. xi) Debt Instruments– [(A) Perpetual Debt Instruments (PDI) eligible for inclusion in Tier–I Capital, (B) Long Term Subordinated Bonds (LTSB) eligible for inclusion in Tier–II Capital]. “The Periodicity of all above instruments should be minimum 10 Years or as directed by the Reserve Bank of India.”
7	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 cooperative principles, social responsibilities and general welfare of members/ employees/ community subject to provisions of the Act, Rules and Bye-laws and the Reserve Bank of India Guidelines from time to time.
8	INVESTMENT OF FUNDS:-
	I) The Bank may invest or deposit its funds as per the provisions of the Act, Rules and Bye-laws or in such other mode as approved by the Board of Directors in conformity with the guidelines of the Reserve Bank of India from time to time.
9	AUTHORISED SHARE CAPITAL:-
	i) The authorized share capital of the Bank is ₹200,00,00,000/- (Rupees Two Hundred Crores only) divided into ₹ 4,00,00,000 (Four Crores) shares of the face value of ₹ 50/- each. 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.

10	MEMBERSHIP:-
	The Bank shall have following categories of members : 1) Ordinary Member 2) Nominal Member
	1) Ordinary Member:
-	a) Any person who resides within the area of operation of the Bank or is gainfully engaged in any occupation in the area of operation 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, if he has submitted his application subscribing minimum 30 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 Act, 1962; v) Any other Corporation owned or controlled by the Government. vi) Any Government company as defined in the Companies Act, 2013; vii) Proprietary concern in proprietor's individual capacity; viii) Partnership firm; ix) A company, LLP or anybody corporate constituted under any law for the time being in force; x) Local Authority; xi) A public trust registered under any law for the time being in force for the registration of trusts; xii) 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 along with the application for the membership as specified by the Board of Directors from time to time. e) All existing ordinary members holding less than thirty shares shall subscribe to such additional number of shares as may be necessary to make up the required minimum number of Thirty shares within six months from the date of coming into force of this amended Bye-law. 1.(A) 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 the same as joint holder with benefit of survivorship, subject to the following provisions:

	i) Only the person whose name stands first in the Register of Members as one of the joint holders of any shares shall be entitled to rights of an ordinary member i. e. to receive notices from the Bank to attend & vote at General Meetings of the Bank & to vote at the election of the Board of Directors of the Bank. ii) A joint share holder individually can subscribe to the share capital and will be 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 shareholders, the membership will automatically be ceased.
	2) Nominal Member:
	a) Any person who is a partner of a partnership firm or a Partner of LLP or a Director of a company or a Trustee of a Public Trust or an office bearer of any other corporate body which is ordinary member, or a person who desires to stand surety for a borrowing member of the Bank or a person who 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 ₹ 200/- or such amount as may be fixed by the Board from time to time and upon his agreeing to the condition that he shall cease 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 the Bank may be admitted as a nominal member and he will be entitled, on merit, to various loan facilities and other schemes on merit sanctioned by the Board of Directors from time to time exclusively for employees. c) A nominal member shall not be entitled: i) To receive a share certificate; ii) To receive audited accounts and annual report; iii) To attend, to participate and to vote in the General Meeting and / or Special General Meeting of the Bank; iv) To receive dividend; v) To contest and vote in the election to the Board; and vi) To demand inspection of the books and records of the Bank.
11	APPLICATION FOR MEMBERSHIP AND ITS DISPOSAL:-
	1) Ordinary Membership: The application for membership of the Bank shall be submitted by the applicant to the Bank in such form and with such non-refundable admission fees as prescribed by the Board. The Applicant shall also subscribe for at least thirty fully paid shares at the time of application.
	2) Nominal Membership: The application for nominal membership of the Bank shall be submitted in prescribed form.

	3) IDENTIFICATION OF MEMBER (KYC NORMS OF RBI TO MEMBERS) a) For all transactions with the Bank, identification of member 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 a 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 there in, collecting annual dividends and/or occasional gifts, execution of agreements as borrower or guarantor, contesting or voting at an 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) When unable to produce such identity card on demand, his membership right whatsoever may be refused by the Bank at that time. e) A 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. f) 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. g) Every application for admission as a member of a Multi-state co-operative Society shall be disposed by such society within a period of four months from the date of receipt of the application, and the decision of such society on the application shall be communicated to the applicant within fifteen days from the date of such decision : Provided that if the application is not disposed of within the period aforesaid, or the decision is not communicated within a period of fifteen days of the expiry of the aforesaid period of four months, the multi-State co-operative society shall be deemed to have made a decision, on the date of expiry of such period , refusing admission to the applicant.
12	RIGHTS AND DUTIES OF MEMBERS:- 1. Every Ordinary Member of the Bank shall have following rights and duties: <u>RIGHTS :-</u> i. To vote in the General Meetings of the Bank. However no member shall be permitted to vote by proxy; ii. To receive notice of general meetings; iii. To attend and participate in the proceedings of general meetings; iv. 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; <u>DUTIES :-</u> i. To promote and protect the interest and object of the Bank; ii. To attend at least one out of three consecutive General Body Meeting.

	iii. To utilize minimum level of services every year as prescribed in the Bye-Law No.4 (xxxi); Provided that the Membership of the Member who does not attend at least one meeting of General Body as above and does not utilize minimum level of services as prescribed in the Bye-Laws shall be cancelled. The Bank shall communicate about this, to the concerned Members, within 180 Days from the date of closure of the Financial Year in which the default occurs, by notice sent to them by post /courier/Email or published in leading local newspaper & at Head Office & Branches of the Bank. In case of such members whose non compliance continues for further 90 Days from the date of notice, their Membership shall stand cancelled & the Bank will refund the share capital held by them. iv) Every member should have open a Saving or Current or Deposit account with the Bank. 2) 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 ordinary members & will be responsible for all the liabilities of a Member ; ii) However, when the person whose name stands first in the share certificate, is absent, the person whose name stands second and in 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, and who is present shall have right to vote in the 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 a joint holder, the surviving member/s shall be recognized as joint members; v) On death of a 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.
<u>13</u>	SHARE CERTIFICATE:-
	i) Every person admitted as Ordinary and Joint Member shall be entitled to receive a share certificate in such form as decided by the Board of Directors from time to time stating the number of share/s and their distinctive number/s and membership number. The share certificates shall be signed by the Chairman or any Director duly authorised by the Board and the Chief Executive Officer or any other Executive Officer authorised by the Board. The share certificate shall bear the Bank's seal.
14	DISQUALIFICATION OF ORDINARY MEMBERSHIP:-
-	No person shall be eligible for being or continuing as a member of the Bank if:
-	i) His/her/it's business is in conflict or competitive with the business of the Bank; or

	ii) He/she/it remains absent for 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. 10 (1) (e) within the given period. v) He has not availed 'Minimum Level of Services 'of the Bank as defined in Bye-law No. 4(xxxi), for two consecutive financial years.
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 two third of the members present and voting at a general meeting held for the purpose, expel a member for acts which are detrimental to the interest, repute or proper working of the Bank OR if the Member has defaulted in payment of dues as per Bye-Laws of the Bank for a continuous period of one year, 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 Act, Rules and Bye-laws, a person shall cease to be a member. Such expulsion may involve forfeiture of shares at the sole discretion of the Bank. iii) No Member of the Bank who has been expelled shall be eligible for re admission as a Member of the Bank for a period of three year from the date of such expulsion.
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, LLP or other Corporate Body or cancellation of registration of the member Bank. ii) Resignation: A member may withdraw their shares either partially or wholly. By withdrawing entire share holding they can resign from their membership, after one year and giving at least 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 10% 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 after holding them for not less than one year to any other eligible person by giving at least one month's notice in writing to the Bank in such form and along with 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	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;
18	DEATH OF SHAREHOLDER:-
	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 as per the provisions of the Act, Rules & Bye-Laws of the Bank. 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 as per the provisions of the Act, Rules & Bye-Laws of the Bank. 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.
19	LIABILITY OF A MEMBER:-
	i) Liability of a member shall be limited to the share capital subscribed by him; ii) Liability of a past member and estate of a deceased member shall be as per the provisions of the Act and Rules.
20	LIEN ON SHARES, DIVIDENDS AND DEPOSITS:-
	The Bank shall have a charge on the share if the loan Account is written off, Sell to ARC or settled under OTS or contribution or interest in the capital and on the deposit of a member or past or deceased member and on any dividend, bonus or profits payable to a member or past member or the estate of such deceased member to the Bank and may set off any sum credited or payable to a member or past member or the estate of deceased member in or towards payment of any such debt receivable from the Member or the past Member.
21	GENERAL BODY:-
	i) Subject to the provisions of the Act, Rules and Bye-laws, the Final authority of the Bank shall vest in 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, LLP, 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. 12(2).
22	ANNUAL GENERAL MEETING:- i) The Board of the Bank under a resolution shall, within six months after the close of the corresponding co-operative year, call the Annual General Meeting at the principal place of business of the Bank. The Business of the Annual General Meeting shall be such as provided in the Act, Rules and Bye-laws and as determined by the Board from time to time. ii) NOTICE :- a) Annual General Meeting of the Bank may be called by giving not less than 15 days' notice in writing to all the ordinary members of the Bank. The Notice of the Annual General Meeting shall be sent by E-mail to those Members whose E-mail IDs are registered as well as verified by the Bank and by ordinary post in respect of those whose E-mail IDs are either not registered or are registered but could not be verified. b) 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 quorum. The annual report will be made available to the ordinary members along with the notice at Registered Office and all the Branches of the Bank as well as on Bank's web-site. c) Non receipt of notice by any member shall not be a valid ground for invalidating or postponing or adjourning the General Meeting. d) Notice of the meeting shall be signed by the Chief Executive Officer of the Bank. e) The unsigned certificate of attendance may be provided along with the notice of the General Meeting or it can be provided at the place of General Meeting. This certificate shall be signed by Authorized Person of the Bank at the time of General Meeting, which shall be the conclusive proof of attendance. iii) QUORUM:- a) One fifth of the total number of members or 300 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 at the time appointed for the meeting, quorum is not present, the meeting shall stand adjourned. 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:- Ordinary Member :- a) Except as otherwise provided in the Act or the Rules, voting at every General Meeting on any resolution shall be by show of hands. b) In case, more than 50% of the members present demand for poll, the polling shall be done forth with for respective resolution. c) Irrespective of the number of shares held, every ordinary member shall have only one vote in General Meeting. d) 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, Trustee 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, office bearer or representative shall produce the requisite authority as prescribed by the Board. e) A member shall acquire a right to vote in election of the Board of Directors only after the completion of one year from the date of his admission to the membership of the Bank. f) A member who is borrower/ guarantor for any loan which is overdue or who was borrower / Guarantor for any loan which is written off or assigned to Asset Reconstruction Companies 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. V) CONDUCT OF THE MEETING:- a) The Chairman of the Bank shall preside over the General Meeting. In case, the Chairman is not present, the Vice-Chairman shall preside over the General Meeting. In case, both, the Chairman and Vice-Chairman are not present, the members present will elect one of the director's present as Chairperson to preside over the said General Meeting. b) 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 Bye-laws.
23	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 or 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. 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 by ordinary post, or by such other mode(s) as may be decided by the Board, to

	their registered address, OR by Electronic Mode or otherwise as per the records of the Bank. b) 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. c) Non receipt of notice by any member shall not be a valid ground for invalidating or postponing or adjourning the Special General Meeting. d) Notice of the meeting shall be signed by Chief Executive Officer of the Bank. 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 half the number of 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 these Bye-laws. IV) CONDUCT OF MEETING The conduct of the Special General Meeting shall be the same as provided for the General Meeting. 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 Bye-laws.
24	BOARD OF DIRECTORS:- i) The Board of Directors of the Bank shall consist of Eleven Directors. ii) Eleven Directors will be elected amongst the Ordinary members of the Bank as per the procedure laid down in the Act, Rules and Bye-laws. There will be one seat for Scheduled Caste or Scheduled Tribes, and two seats for Women amongst Eleven directors. iii) The Chief Executive Officer shall be the ex-officio member of the Board. iv) Not less than fiftyone percent (51%) of the total number of members on the Board of Directors shall consist of persons possessing special knowledge or practical experiance in one or more of the fields specified under section 10-A of Banking Regulation Act, 1949, as applicable to co-operative banks.The Board may co-opt two directors in addition to Eleven directors having experience in the field of banking, management, Co-operative management, IT, Cyber Security , finance or having specialization in other field relating to the objects and activities undertaken by the Bank. v) A co-opted director shall hold office for the remaining period of the Board. The Co-opted directors shall not have the right to vote in any election of the office bearers or be eligible to be elected as office bearers of the board. vi) The Board of directors shall hold office for a period of five years. The elected members of the Board shall be eligible for re- election. A person can be re-elected as Director only after fulfilling the norms, rules as laid

down in Acts, Rules and Bye laws as well as guidelines issued by RBI from time to time.

vii) The candidates for the seats on the Board of Directors shall be nominated from amongst the members of the Bank residing in / or carrying on business and / or engaged in gainful occupation within the area of operation of the Bank.

a) For being eligible to be elected as Director, a member shall have such qualifications as prescribed in the Act, Rules and Bye-laws.

b) For being eligible to contest the election for the post of director, an ordinary member should comply the criteria of minimum share capital of ₹ 30,000/- & minimum deposit of ₹ 2,00,000/- & if elected, shall keep the above deposits for the entire tenure of the Board.

viii) If any vacancy arises in the elected Board of Directors, it shall be filled by the election by the members in the General Body for the remaining unexpired term of the Board. However any such vacancy can be filled by co-option, if the remaining tenure of the Board is less than 30 months.

ix) No director of a multi-State co-operative society shall, as a director, be present in the discussion of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of such society, if he or his relative is directly or indirectly concerned or interested in such contract or arrangement and no relative of any of the sitting directors of the multi-State co-operative society shall be recruited as employee including the Chief Executive of that society. Explanation.—For the purposes of this subsection, the term, “relative” with reference to an individual, includes— (a) spouse; (b) father (including step father); (c) mother (including step mother); (d) son (including step son); (e) son’s wife; (f) daughter (including step daughter); (g) daughter’s husband; (h) father’s father; (i) father’s mother; (j) mother’s father; (k) mother’s mother; (l) son’s son; (m) son’s son’s wife; (n) son’s daughter; (o) son’s daughter’s husband; (p) daughter’s son; (q) daughter’s son’s wife; (r) daughter’s daughter; (s) daughter’s daughter’s husband; (t) brother (including step brother); (u) brother’s wife; (v) sister (including step sister); (w) sister’s husband; and (x) Hindu undivided family.

(A) BOARD OF MANAGEMENT :-

There shall be a Board of Management of six members.

i) Board of Management shall be constituted by the Board of Directors as per the procedure laid down in the RBI Circulars, Bye-Laws and any such other Applicable Laws.

ii) The members of the Board of Management shall meet the Fit and Proper criteria for appointment and they shall be liable for removal or disqualification as prescribed in the Act, Banking Regulation Act, RBI Circulars / Guidelines, Bye-Laws and any such other Applicable Laws .

iii) The Members of the Board of Directors satisfying the Fit and Proper criteria may also be appointed as members of the Board of Management. However, the number of such appointed members of Board of Directors shall be within the limit as prescribed by the Act, Banking Regulation Act, 1949, RBI Circulars/ Guidelines, Bye-Laws and any such other Applicable Laws.

	iv) The Chairman of the Board of Management shall be appointed by the Board of Directors. v) Chairman of Board of Directors cannot be the Chairman of the Board of Management. vi) As prescribed in the RBI Circulars/ Guidelines and Bye-Laws, the first Board of Management shall be constituted after the approval of Amendment to the Bye-Laws by the appropriate authorities. vii) The tenure of the Board of Management shall be co-terminus with the tenure of Board of Directors. viii) The members of Board of Management shall be paid allowance/sitting fees for their services, as decided by the Board of Directors from time to time. ix) In case of any vacancy in the Board of Management occurs, the Board of Directors shall appoint new member/s or constitute new Board of Management as the case may be within the period as stipulated in the Act, Banking Regulation Act, 1949, RBI Circulars/Guidelines, Bye-Laws and any such other Applicable Laws.
25	CHAIRMAN & VICE-CHAIRMAN:-
	The Chairman and Vice-Chairman shall be elected from the elected members of the Board in accordance with the directions of the Authority. The Chairman and in his absence, the Vice-Chairman shall preside over the meetings 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 Board unless Chairman and/or Vice-Chairman, resigns from the said post or ceases to be a Director earlier. In case of any vacancy in the office of the Chairman and/or Vice-Chairman whether by reason of his death, resignation or otherwise, such vacancy shall be filled as per provisions of MSCS Act & Rules, Bye-Laws wherever applicable guidelines issued by RBI as amended from time to time.
26	DISQUALIFICATION FOR BEING A MEMBER OF BOARD:-
	1) No member of the Bank shall be eligible for being chosen as, or for being, a member of the Board, if such member: a) Has been adjudged by a competent Court to be insolvent or of unsound mind; b) Is concerned or participates in the profits of any contract with the Bank; c) Has been convicted for an offence involving moral turpitude; d) Holds any office or place of profit under the Bank; Provided that the Chief Executive 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; e) Has been a Ordinary member of the Bank for less than twenty four months immediately preceding the date of such election or appointment; or not maintaining share capital of ₹ 30,000/- & Deposit of ₹ 2,00,000/- at the time of filing nomination & shall keep the above deposits for the entire tenure of the Board. f) Has interest in any business of the kind carried on by the Bank of which he is a member;

g)Has taken loan or goods on credit from the Bank of which he is a member, or is otherwise indebted to such Bank and after the receipt of a notice of default issued to him by such Bank has defaulted -

(i) In repayment of such loan or debt or in payment of the price of the goods taken on credit, 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

(ii) When such loan or debt or the price of goods taken on credit is to be paid in installments, in payment of any installment, 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 re-election 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 Bank;

h) Is a person against whom any amount due under a decree, decision or order is pending for recovery under this Act;

i) 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 Bank ;

Explanation: For the purpose of this clause, “legal practitioner” has the same meaning as in clause (i) of sub section (1) of section 2 of the Advocates Act,1961 (25 of 1961);

j) Has been convicted for any offence under this Act;

k)Is disqualified for being a member under section 29 of the Act;

l) Has been expelled as a member under section 30 of the Act;

m)Absents himself from three consecutive Board Meetings and such absence has not been condoned by the Board;

n) Absents himself from three consecutive General Body Meetings and such absence has not been condoned by the members in the General Body;

2) A person shall not be eligible for being elected as member of a Board of a Bank for a period of five years if the Board of such Multi-State co-operative Society fails—

- To conduct elections of the Board under section 45 of the Act; or

- To call the Annual General Meeting under section 39 of the Act; or

- To prepare the financial statement and present the same in the Annual General Meeting;

3) 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 entitled to avail secured loans against Pledge of own Fixed Deposits and own Life Insurance Policies . No individual can file nomination for election if the loan for which he is borrower / guarantor is overdue.

4) An elected member of the Board of the Bank removed by the General Body who has acted adversely to the interest of Multi-State co-operative 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 two third of the members present

	and voting at the meeting. Provided that the member concerned shall not be removed unless he has been given a reasonable opportunity of making a representation in the matter.
27	PROHIBITION TO HOLD OFFICE OF CHAIRPERSON, PRESIDENT / VICE-CHAIRPERSON OR VICE- PRESIDENT IN CERTAIN CASES :-
	1) A member of the Bank shall not be eligible to be elected as the Chairperson or president or vice chairperson or vice president of a Bank if such member is a Minister in the Central Government or a State Government. No member of a Board shall be eligible to be elected as the Chairperson or President of a 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. 2) No person shall be eligible to hold, at the same time, office of a president or chairperson or vice president or vice chairperson on the Board of more than two Multi State Co-operative Societies.
28	VACATION OF OFFICE BY A DIRECTOR:-
	A member of the Board shall be deemed to have vacated his office: i) By death; or ii) By resignation duly accepted by the Board; or iii) By reason of any of the disqualification as per the Act, Rules and Bye-laws.
29	COMMITTEES/ SUB COMMITTEES:-
	The Board of Directors may constitute an Executive Committee and other Committees/ Sub Committees as may be considered necessary by the Board of Directors. Out of such Committees one shall be (i) an Audit and Ethics Committee and (ii) a Committee on prevention of sexual harassment at work place. The Board may delegate any of its powers and functions mentioned in Bye-law No. 30 to an Executive Committee consisting of not more than 10 members of the Board of Directors including the Chairman and the Managing Directors. 50% or minimum three members whichever is less 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.
30	MEETINGS OF THE BOARD OF DIRECTORS:-
	i) The Board of Directors shall meet as often as is necessary to transact the Business and at least once in every quarter. ii) The meeting of the Board of Directors shall be held at the Registered Office or at such other place in the area of operation of the Bank as may be decided by the Board from time to time. 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 the Chairman and Vice Chairman; the Directors present in the meeting shall elect the Chairman for the meeting from amongst themselves.

	iv) 5 days' notice shall be necessary for the meeting of the Board of Directors and 3 days' 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 fails to fix the date of the meeting of the Board, Chief Executive Officer of the Bank shall convene the meeting on receiving requisition from minimum 1/4th of the Directors. vi) One third of the total strength of the Board of Directors shall form a quorum for a Board Meeting and participation of the Directors by video conferencing and other electronic means shall also be counted for the purpose of quorum. (A) The meetings of the Board of Management shall be held at the Registered Office or at such other place in the area of operation of the Bank as may be decided by the Board of Directors from time to time. i) Board of Management may hold meetings at such periodicity as deemed necessary as per the directions of the Board of Directors. ii) Record of the minutes of the meeting shall be properly maintained and the same shall be put up before Board of Directors. iii) The quorum for the meeting shall be two-third of the total members of Board of Management. Note : If two-third of the total number of members is a fraction, it shall be rounded off to the nearest figure on upper side and such rounded off figure shall constitute a quorum.
31	POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS:- The powers and functions of the Board of Directors shall be as under: 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 ; amongst the elected members of the Board in accordance with the provisions of the MSCS Act, 2002 and Rules made there under, Bye-Laws of the Bank & Directions issued by the authority & RBI from time to time. 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 and 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 up to such limits, for such period and upon such terms and conditions as it may deem fit; viii) To allow a remission in principal and or 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 their payment or satisfaction of any debt due or condone delay in payment of installments, 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 approved 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 pledge, as the case may be, of such securities. However, statement of such investments will be placed before the next meeting of the Board of Directors, for ratification;
- xvi)** To consider proposals for opening Branches/ Offices; extension counters, to appoint business correspondent or business facilitator.
- 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 the Chief Executive, members of Board of Management 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, other committees, sub committees and the Board of Management as may be considered necessary.
- xxi)** To decide the scope and functions of Executive Committee, other Committees, Sub Committees and the Board of Management;
- xxii)** To delegate powers to the Chief Executive or to any other officer/s of the Bank in respect of sanction of loans and Advances and to authorize 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 enquiry officers and other personnel or agency or a firm and to fix their 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 in force, 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 their 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 documents on behalf of the Bank 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 appoint the auditors and fix their remunerations as per the decision of the General Body;

xxxiv) To authorize convening of meetings of the General Body/ Special General Body;

xxxv) To consider statutory audit report and place the same before the General Body;

xxxvi) To acquire or dispose-off moveable and immovable property for the Bank on such terms as may be decided from time to time;

xxxvii) To review the Membership in other co-operatives;

xxxviii) To approve annual and supplementary budget and sanction the expenditure for proper and efficient working of the Bank;

xxxix) To recommend to the General Body distribution of profits; & payment of dividend not exceeding 18% p.a

	xxxx) To prepare the panel of auditors as per the decision of the General Body; xxxxi) To appoint committees or sub committees as may be necessary and delegate to them such powers as may be appropriate; xxxxii) To decide upon payment of conveyance, travelling expenses, sitting fees etc., to/of the members of the Board of Directors, members of Board of Management; xxxxiii) 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; xxxxiv) To formulate policy for floating subsidiary companies, form such companies and control their affairs; xxxxv) To arrange for election of the Directors of the Board; xxxxvi) 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; xxxxvii) 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; xxxxviii) 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; xxxxix) To take such other measures or to do such other acts as may be required under guidelines of the Reserve Bank of India; xxxxx) 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; xxxxxi) 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. xxxxxii) 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.
32	MINUTES:-
	All proceedings of every Board Meeting or of every meeting of the Committee of the Board shall within 30 days of the conclusion of every such meeting concerned be recorded in the minute's books, the pages of which shall be duly numbered. The same shall be signed by the chairperson of the meeting and the Chief Executive of the Bank.
33	ELECTION:-
	i) To conduct the elections of the Board of the Bank shall be the responsibility of the existing Board;

	ii) The election of members of the Board shall be held by secret Ballot in the manner as may be prescribed by the election schedule annexed with the Multi-State Cooperatives Societies Act, 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 ninety days from the date when such election become due; vi) No member of the Bank shall be eligible for being chosen as , or for being elected as member of Board if such member has been a member of the Bank for less than twenty four months immediately preceding the date of such election; For being eligible to be elected as director, an ordinary member should comply the criteria of minimum share capital of ₹ 30,000/- & minimum deposit of ₹ 2,00,000/- at the time of filing nomination & shall keep the above deposits for the entire tenure of the Board. vii) The expenses for holding election by the Central Registrar shall be borne by the Bank; viii) For the election of the Board of Directors if some of the contesting candidates form a panel or panels then all the candidates from such panels will be eligible to get a common symbol for each panel; ix) The election of the Board shall be conducted before the expiry of the 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. X) No ordinary member will be eligible to file his nomination for the election of the Board of Directors unless he keeps a Security Deposit of ₹ 75,000/- Provided that if a candidate withdraws his nomination or if his nomination is rejected, the Security Deposit will be refunded within 15 days of his withdrawal/ rejection. The deposit shall be forfeited, if at an election, where a poll has been taken, the candidate is not elected and the number of valid votes casted for him does not exceed one-tenth (1/10th) of the total number of valid votes casted by all the candidates. In other cases Security Deposit will be returned.
34	POWERS AND FUNCTIONS OF THE CHAIRMAN:- The Chairman shall have the following powers and functions: i) He shall preside over the meetings of the General Body & Board of Directors & Executive Committee; ii) The Chairman shall sign the proceedings of all the Board Meetings & General Body Meetings & Executive Committee Meetings; iii) In the event of equality of votes on a resolution, the Chairman shall have a casting vote; iv) To convene the meeting of the Board of Directors, Executive Committee and sub Committees of which he is the Chairman: v) The Chairman may delegate any of his powers & functions to the Vice-Chairman. vi) 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.

35	CHIEF EXECUTIVE:-
	The Chief Executive of the Bank shall be appointed by the Board of Directors, subject to approval of RBI and in accordance with the criteria as specified by the Act, Banking Regulation Act, 1949, Rules, RBI Circulars/Guidelines, Bye-Laws and any such other Applicable Laws as amended from time to time. He shall be a full time paid employee of the Bank. He shall aid and assist the Board of Directors as well as the Board of Management in their functions. The Chief Executive shall be an Ex-officio member of the Board of Directors, the Executive Committee, such other Committees, Sub Committees and the Board of Management as may be constituted.
36	POWERS AND FUNCTIONS OF THE CHIEF EXECUTIVE:-
	The Chief Executive shall , under the general superintendence, direction and control of the Board, exercise the powers and discharge the functions specified below, namely: i) Day- to-day management of the Business of the Bank; ii) Convening meeting of the 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 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 the proper maintenance of various books and records of the Bank and for the correct preparation, timely submissions 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) To determine powers, functions & responsibilities of the employees of the Bank in all the categories. viii) Assisting the Board in the formulation of policies, objectives and planning as also implementation of the policies and plans approved by the Board; ix) Furnishing to the Board, periodical information necessary for appraising the operations and functions of the Bank; x) To be the office of the Bank to sue or be sued on behalf of the Bank & sign all the books & documents of the Bank; xi) Present the draft annual report and financial statements for the approval of the Board within forty-five days of closure of the financial year. xii) Performing such other duties and exercising such other powers as may be specified in the Bye-laws of the Bank; xiii) To sanction credit facilities up to such limits and upon such terms and conditions and safeguards as the Board may decide and to exercise such other powers and discharge duties as may be delegated to him by the Board, having regard to the policies laid down in pursuance of guidelines or directives issued by the Reserve Bank of India or any other competent authority, on loans and advances, from time to time. He shall, thereafter, place a statement of such credit facilities sanctioned by him before the Board as early as possible.;

	xiv) To institute , defend, conduct, compromise, abandon, withdraw or represent the Bank in legal proceedings by or against the Board of Directors, the Bank, its officers, or employees and/ or appoint an Officer, Advocate, Person etc., to represent the Bank for any purpose mentioned there in and to fix their remuneration; xv) To delegate any or all such powers granted herein to any officer in the hierarchy of the Bank as deemed fit and necessary. xvi) Exercise such other powers, duties and functions as the Board may from time to time deem necessary. xvii) To take disciplinary action against the Bank's Staff in accordance with the policy of the Bank. xviii) To sanction contingent expenditure within the powers decided by the Board. xix) To exercise the administrative control & delegate powers in respect of all Officers & Staff, including granting of leave, granting of Annual Increments & other matters relating to the service conditions of the employees.
37	LOANS AND ADVANCES:- Loans , Letters of Credit , Bank Guarantees, 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 Directors or without security; i) Personal security and / or surety/ sureties of other member/ members; ii) Security of moveable and immoveable property, receivables, commercial rights; iii) Industrial, mercantile, agricultural and other marketable commodities or machinery under pledge, hypothecation or charge of the Bank; iv) Mortgage of commercial/ residential/ agricultural properties; v) Pledge of Government, Trustee securities, shares of approved companies debentures and fixed deposits; vi) Insurance policies assigned to the Bank within the surrender value; vii) Warehouse receipts; viii) Gold and Silver ornaments; ix) Any other tangible security; x) The Board may frame loan regulations/ loan policy prescribing proper terms and conditions and the nature of securities acceptable for loans and advances for different purposes, manner of charging interest/ penal interest etc., as per the guidelines of the Reserve Bank of India in this regard; xi) The Bank may grant loans to non-members against the pledge of their own deposits with the Bank & the Bank may grant loans to non-Members (viz. co-op Societies)as per the provisions of Act, Rules & Bye-Laws of the Bank ; xii) Nominal members can stand as guarantor & Nominal Member can borrow loans against the pledge of gold/ silver ornaments, National Savings Certificates, Kisan Vikas Patras, Life Insurance Policies and other tangible securities pledged to the Bank for short period up to one year, for purchases of consumer durables and up to Rs. 1/- lakh and also can avail loan(s) as per the guidelines of the Reserve Bank of India from time to time;

38	RESTRICTION AND LINKAGE OF SHARE HOLDING WITH LOAN LIMITS :
	a) A borrower should hold at least 5 percent of his borrowings in share capital of the Bank 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. b) A borrower against tangible securities should hold shares of the bank to the extent of at least 2 ½ percent of his borrowings from the Bank. The above percentages may vary as per RBI guidelines'. Provided however that the above minimum percentage of share holding can be relaxed in such situation as may be prescribed, from time to time by Reserve Bank of India & Central Registrar. c) In the case of loans for small-scale industrial units, the linking of share capital might be fixed initially at one percent of the borrowings, to be raised in the course of the next two years to 2 ½ percent. The total amount of share capital held by a member will, however, have to be within the limits laid down under the Multi State Cooperative Societies Act. d) No member, other than the authorities referred to in clauses(c) to (g) of sub section (1) of section 25, of Multi State Co-operative Bank or a Co-operative Society, shall hold more than 5% of the total subscribed share capital of the Bank.
39	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 regard from time to time. ii) Deposits may be received on current, saving, fixed, recurring, and cumulative and under any other special scheme/s. iii) Deposits of the Bank shall be insured under DICGC Act 1961 & shall be governed by the various sections of DICGC Act.
40	DISTRIBUTION OF PROFIT:-
	i) Subject to the provisions of the Act and Rules framed thereunder, the net profits of the Bank shall be distributed by the General Body as follows: (a) Transfer at least 25% of the net profit to the reserve fund; (b) Credit one percent of the net profit to the Co-operative education fund maintained by the Central Government; (c) Transfer at least 10% of net profit to the “reserve fund for meeting unforeseen losses”. ii) Utilization of Balance of Net Profit: The balance of the net profit may be utilized for all or any of the following purposes: a) Payment of Dividend to members on their paid up capital at the rate not exceeding 18% or the rate recommended by the Board of Directors whichever is less.

	b) 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; c) Donation for the development of the co-operative movement or charitable purpose as defined in section 2 of the Charitable Endowment Act, 1890 not exceeding 5%; d) Payment of ex-gratia amount to employees as approved by the Board of Directors; e) Transfer to other funds as approved by the General Body. f) Contribution to Co-operative Rehabilitation, Reconstruction and Development Fund for revival of sick Multi-State Co-operative Societies Rs. 1 crore or 1% of the net profit whichever is less.
41	RESERVE FUND:-
	i) In addition to the sum prescribed under the Act, Rules and Bye-laws, all admission fees, entrance fees, transfer fees, nominal membership fees, amount of forfeited shares and dividends and donations shall be carried to the Reserve Fund; ii) Any loss occurring as the net result of the year's working may with the approval of the General Body be made good from the "Reserve Fund to meet unforeseen losses" 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 Co-operative Bank or in any of the securities specified in section 20 of the Indian Trust Act, 1882, or in the shares or securities or assets of a subsidiary institution or any other institution as per guidelines of the Reserve Bank of India or with any other Bank and as permitted by the Reserve Bank of India. Interest accruing thereon shall form part of the general revenue.
42	UTILIZATION OF SPECIAL/ GENERAL RESERVES/UNFORESEEN CONTINGENCY RESERVE:-
	No amount shall be drawn from or debited to the Reserves created unless such amount is necessary to be utilized for the purpose for which these Reserves was/were created, provided that the Board may write off a bad debt against the reserve of Bad and Doubtful Debts or against current revenue. In such a case the Board shall show the amount so written off either in the Annual Statement of Accounts or by a separate note in the Annual Report, as the case may be. Provided further that on the Recommendations of the Board, General Body may sanction transfer of an amount from one kind of Reserve to another kind where Board considers such transfer to be advisable and in the interest of the Bank.
43	DIVIDEND:-
	i) The dividend declared shall be paid to the person whose name stands first as the registered share holder in the books of the Bank on the last day of the Financial year to which the dividend relates; ii) Dividend shall be proportionate to the amount paid on shares and the period in whole months for which the amount stood to the credit of the shareholder;

	iii) Any dividend remaining un-drawn for three years after having being 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. Dividend remaining unpaid or un-drawn shall not bear any interest.
44	ACCOUNTS AND RECORDS:-
	(1) Every Multi-State Co-operative Society shall keep books of accounts with respect to :- (a) all sums of money received and expended and the matters in respect of which the receipt and expenditure take place ; (b) all sales and purchase of goods ; (c) the assets and liabilities ;
45	AUDIT:-
	The accounts of the Bank shall be audited by an auditor appointed from the panel of auditors, if any, approved by the Central Registrar at least once in each year and the remuneration of auditors shall be fixed by the Central Registrar or the Bank as the case may be. The appointment of Auditor and his remuneration shall be approved in the General Body Meeting. Any vacancy created by resignation or death of an auditor shall be filled by the Board out of panel of auditors approved by the Central Registrar. Accounts of the Bank shall be audited within six months of the close of the financial year to which accounts relate.
46	COMMON SEAL:-
	The Bank shall have the common seal, which will remain in the custody of the Chief Executive Officer and shall be affixed in presence of a Director & Chief Executive Officer or the Executive Officer of the Bank as per specific resolution of the Board of Directors.
47	SETTLEMENT OF DISPUTES:-
	All the disputes shall be referred to Arbitration in accordance with provisions of the Act, Rules and Bye laws.
48	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.
49	CONTRIBUTORY PROVIDENT FUND:-
	The Bank shall maintain a contributory provided fund for the benefit of its employees in accordance with the provisions of Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
50	EMPLOYEES PARTICIPATION:-
	The Board may devise procedure for the participation of employees through administrative instructions.
51	RESTRICTION ON CONTRIBUTION :-
	No multi-State co-operative society shall make a contribution, either in money or in kind, whether directly or indirectly, to an institution which has an object of furtherance of the interest of a political party.
52	RESTRICTION ON BORROWING :-
	(1) A Multi-State Co-operative Society may receive deposits, raise loans and receive grants from external sources to such extent and under such conditions as may be specified in the bye-laws :

	Provided that the total amount of deposits and loans received during any financial year shall not exceed ten times of the sum of subscribed share capital and accumulated reserves: Provided further that while calculating the total sum of subscribed share capital and accumulated reserves, the accumulated losses shall be deducted. (2) Subject to the provisions of sub-section (1), a multi-State co-operative society may accept funds or borrow funds for the fulfillment of its objects on such terms and conditions as are mutually contracted upon. (3) A Multi-State Co-operative Society 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 fulfillment of its objects to the extent of Twenty five percent of its paid up share capital.
53	FILING OF RETURNS :-
	Every year within six months of the closure of the accounting year every Multi-State Co-operative Society shall file the following returns with the Central Registrar, namely :- a) annual report of the activity ; b) audited statement of accounts ; c) plan for surplus disposal as approved by the general body ; d) list of amendments to the bye-laws of the Multi-State Co-operative Society ; e) declaration regarding date of holding of general body meeting and conduct of elections where due ; f) any other information required by the Central Registrar in pursuance of any of the provisions of this Act .
54	MISCELLANEOUS:-
	i) The Bank may become 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. ii) The Bank may be subscribing member of the following: a) The National/ State Federation of Urban Co-operative Banks/ Indian Banks Association; b) The Regional/ District Federation or Association of Urban Co-operative Banks; c) The Maharashtra Rajya Sahakari Sangh / District Cooperative Board or any other such organization as decided by the Board of Directors from time to time within the area of operation. iii) The filing of returns to the Central Registrar shall be as per the Provisions of Section 120 of the Act. The Bank shall also file the returns in the electronic form. iv) Execution of Decrees, Orders and Decisions shall be as per the provisions of Chapter XI of the Act. v) Appeals and Review 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) 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 filled in. viii) 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. ix) The matters which have not been provided for herein shall be decided in accordance with provisions of the Act and Rules. x) Every certified copy issued by the Bank shall bear the Signature of the Chief Executive Officer or any director or any officer of the Bank who is empowered by the Board in that behalf and the stamp of the Bank. xi) The Chief Executive Officer or any Director or any Officer of the Bank who is empowered by the Board in that behalf shall be entitled to issue certified copy of any entry in the Books maintained by the Bank.
55	Appointment of Co-operative Information Officer :-
	i) The Banks Board shall designate a Co-operative Information Officer to provide the information to the Members as per the disclosure norms specified. ii) The Co-operative Information officer shall provide information as per following disclosures only: a) Bank's Registration Certificate b) Registered Bye-Laws copy c) MSCS Act and Rules applicable to the Bank d) Names of Board of Directors e) Tenure of Directors f) AGM Notice g) Last 5 yrs. Annual Reports h) Minutes of last 2 yrs. General Body Meetings i) Shareholding details of Respective Members, j) Dividend Declaration for the last 3 yrs. k) Status of Membership of the Applicant l) Current Deposit Schemes m) Current Loan Products n) Present Service Charges o) Members Welfare Fund Scheme and its eligibility.