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Government of India
Ministry of Agriculture
Department of Agriculture & Cooperation

OFFICE OF THE CENTRAL REGISTRAR OF COOPERATIVE SOCIETIES

Krishi Bhavan, New Delhi.

CERTIFICATE OF REGISTRATION
OF
AMENDMENT

In pursuance of the provisions of the Multi State Cooperative Societies Act. 2002, en-bloc amendment to Bye-laws of Railway Shramik Sahakari Bank Ltd., N.W. Railway, Divisional Rail Manager Office Building, Bikaner is hereby registered under section 11 of the Multi State Cooperative Societies Act, 2002 (39 of 2002).

All other provisions as are not provided for herein shall be decided according to terms of MSCS Act, 2002 and the rules made there under.

Given under my hand and seal this the 13th day of August 2009.

(Rajendra Kumar Tiwari)
Joint Secretary to the Government of India &
Central Registrar of Cooperative Societies

To,

The Chief Executive Officer,
Railway Shramik Sahakari Bank Ltd,
N.W. Railway,
Divisional Rail Manager Office Building,
Bikaner.

RAILWAY SHRAMIK SAHAKARI BANK LTD., BIKANER

PROPOSED BYE-LAWS

1. NAME

The name of the Bank shall be Railway Shramik Sahakari Bank Ltd., Bikaner, Rajasthan.

2. PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

The Principal Place of business and the Registered Office of the Bank shall be situated in DRM Office Campus Premises, Bikaner (Rajasthan), any change in the address 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 Sec. 11 of the Multi State Co-operative Societies Act 2002.

3. AREA OF OPERATION

The area of operation of the Bank shall be Bikaner Division of North Western Railway covering the State of Rajasthan, Haryana, Punjab only.

4. DEFINITIONS

The works/expressions appearing in these bye-laws shall have the following meaning unless otherwise provided :

a) "Act" means the Multi-State Co-operative Societies Act, 2002 as amended from time to time.

b) "Rules" means the Multi-State Co-operative Societies Rules, 2002 and as amended from time to time.

c) "Central Registrar", means the Central Registrar of co-operative societies appointed under the provisions of the MSCS Act.

d) "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 Co-operative Societies Act in force and includes amendments thereto which have been duly registered or deemed to have been registered under the Act.

e) "General Body" means all the members of the Bank and includes a body constituted the provisions of the Act.

f) "Board" means the Board of Directors of the Bank.

g) "General Meeting" means a meeting of the general body of the Bank and includes special general meeting.

h) "Chief Executive" means Chief Executive Officer of the Bank.

i) "Person" means an adult individual, proprietary concern, a partnership firm duly registered under the Indian Partnership Act, 1932, a company or any other body corporate constituted under the law for the time being in force, a Bank registered under the societies Registration Act of 1860, a Trade Union registered under the Trade Union Act 1926, State Government and Public Trust registered under any law for the time being in force for registration of such trusts subject to amendment in the Act.

j) "Officer" means a President, Vice-President, Chairperson, Vice-Chairperson, Chief Executive Officer, Secretary, Manager, Members of the Board, Treasure, Liquidator, an Administrator appointed under Sec. 123 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.

k) "Member" means person admitted as member of the Bank;

l) "Nominal" member means a person who has been admitted as a nominal member or associate member under the bye-law of the Bank;

m) "Multi State Co-operative Bank" means a co-operative Bank registered or deemed to be registered under the Multi-State Co-operative Societies Act, 2002;

n) "National Co-operative Bank" means a Multi State Co-operative Bank specified in the second schedule to the Multi-State Co-operative Societies Act, 2002;

o) "Co-operative Bank" means a co-operative Bank 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;

p) "Federal Co-operative" means a federation of co-operative societies registered under the MSCS Act and whose membership is available only to a co-operative Bank or a multi-state co-operative society;

q) A "Co-operative Bank" means a multi state co-operative Bank which undertakes banking business.

r) "Reserve Bank" means the Reserve Bank of India constituted under the RBI Act 1934 (2 of 1934);

s) "Deposit Insurance Corporation" means the Deposit Insurance and Credit Guarantee Corporation established under Sec. 3 of the Deposit Insurance Corporation Act, 1961;

t) "Defaulter" means a member who has defaulted in payment of any kind of dues payable to the Bank;

u) "Co-operative Year" means the period from 1st of April to 31st March;

v) "Area of Operation" means the area from which the persons can be admitted as members of the Bank;

w) "Co-operative Principles" means the co-operative principles as specified in the first schedule of the Multi-State Co-operative Societies Act, 2002;

x) Bank means the "Railway Shramik Sahakari Bank Ltd., Bikaner (Rajasthan)"

5. OBJECTIVES AND FUNCTIONS

The following are the objectives and functions of the Bank:

a) To encourage thrift, self-help and Co-operation amongst the members.

b) To create funds for the purpose of making advances to members of the Bank at moderate rate of interest;

c) To receive sums on deposits at such rate or rates or interest and on such terms as may be decided by the Board of Directors from time to time;

d) Generally to carry on Banking business.

e) To provide relief to the members and employees of the Bank in case of sickness, retirement and death and also for the education of their children and for, other welfare purposes of welfare fund of the Bank;

f) To promote well-being of members through housing schemes and Consumer's Stores and Shops etc.

6. RAISING OF FUNDS

a) The funds of the Bank shall be raised in the following manner:
   - i) Share Capital
   - ii) Admission Fees
   - iii) Subscription
   - iv) Deposits
   - v) Loans, Cash Credits, Overdrafts from any financial institutions.
   - vi) Donations. grants and subsidies.
   - vii) Contributions
   - viii) Profit

b) The funds of the Bank shall be applied to achieve the objectives of the Bank.

7. MAXIMUM BORROWING LIMIT

The maximum borrowing limit of the Bank shall be ten times of the subscribed share capital plus accumulated reserves minus accumulated losses (if any).

8. SHARES

a) The authorised Share Capital of the Bank is Rs.20.00 Crores divided into 20 Lakhs Shares of Rs.100/- each.

b) Money on shares shall be paid in full at one time and Share Certificates shall be issued on realization of the full amount subscribed for.

c) 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 with the prior approval of the Central Registrar.

d) No member other than the authorities referred to in clauses (c) to (g) of sub section 1 of Section 25 of the Act, shall hold more than $1/5^{th}$ of the total share capital of the Bank.

AMENDMENT -

d) No member other than the authorities referred to in clauses (c) to (g) of sub section 1 of Section 25 of the Act, shall hold more than $1/20^{th}$ of the total share capital of the Bank.

9. MEMBERSHIP

The Bank shall have following categories of membership :

a) Regular Members

b) Nominal / Associate members

10. REGULAR MEMBERS

The following are admitted as regular members subject to the condition that he/she should be competent to contract under section 11 of the Indian Contract Act, 1872.

a) Employees of the North Western Railway employed within the territory covered by the Bikaner Division & completed one years of service.

AMENDMENT -

a) Employees of the North Western Railway employed within the territory covered by the Bikaner Division & completed one month of service.

b) Employees of Statutory Audit attached to the Bikaner Division of North Western Railway provided that they reside in the territorial jurisdiction of the Bikaner Division.

c) Employees of Bank.

Note : a member who is an employee of the Bank shall not to entitled to vote :

i) At the election of a member of the Board of the Bank;

ii) In any general meeting convened for framing the Bye-Law of the Bank or any amendments there to;

11. CONDITIONS FOR REGULAR MEMBERSHIP

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

a) He has applied in writing in the prescribed form;

b) He has paid admission fee Rs. 10/- and acquired at least one share of the Bank;

c) He has given a declaration that he is not a member of any other similar co-operative Bank;

d) He has fulfilled all other conditions laid down in the Acts, the Rules and the Bye-laws;

e) The Board of Directors of the Bank approves the application to admit as a member.

12. APPLICATION FOR MEMBERSHIP AND ITS DISPOSAL

a) The application for membership of the Bank shall be submitting by the applicant to the Chief Executive of the Bank in the prescribed form, accompanied by admission fee of Rs.10/-. An applicant shall also subscribe at least one fully paid share at the time of application.

b) The application for membership of the Bank found complete in all respects shall be disposed of within a period of four months from the date of receipt of the application by the Bank and the same shall be communicated to the applicant within fifteen days of the decision.

13. VOTES OF MEMBERS AND MANNER OF VOTING

a) Every member of the Bank shall have one vote in the affairs of the Bank.

b) In case of equality of votes, the Chairperson shall have a casting vote.

c) Every member of the bank shall exercise his vote in person and no member shall be permitted to vote in proxy.

14. RIGHTS AND DUTIES OF MEMBERS

The members shall have the following rights and duties:

a. A member shall be entitled to exercise his right as a member from the date of admission as a member.

b. To receive notice of general body meetings as per the By-laws of the Bank.

c. To attend and take active part in the proceedings of the general body meeting.

d. To take part in elections and contest for any post as per provision of the Act. Rules and Bye-laws of the Bank:

e. To inspect member registrars, books of accounts or any other record and obtain certified copies of the resolutions or documents on a payment of fee as may be prescribed by the Board of Directors from time to time.

15. DISQUALIFICATIONS FOR MEMBERSHIP

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

a. His business is in conflict or competitive with the business of the Bank.

b. The has not paid his dues including contribution, subscription, if any, to be paid to Bank within 30 days of the day they become due or within stipulated time period as specified in the notice received from the Bank.

c. Has not attended three consecutive general body meetings of the Bank and such absence has not been condoned by the members in the general body meeting of the Bank.

d. He did not paid annual transaction of the value of at least Rs. 400/- for continuously two years.

AMENDMENT -

d. He did not paid annual transaction of the value of at least Rs. 2000/- for continuously two years.

16. WITHDRAWAL AND RESIGNATION OF A MEMBER

a) A member may withdraw and resign his membership after two years and giving at least 3 months notice in writing and withdraw his share capital with the approval of the Board of Directors. The approval shall not be given while such a member is indebted, to the Bank. During any co-operative year, the aggregate withdrawals shall not exceed 10% of the total paid up share capital as at 31st March of the proceeding year.

AMENDMENT -

a) A member may withdraw and resign his membership after two years and giving at least 15 days' notice in writing and withdraw his share capital with the approval of the Board of Directors. The approval shall not be given while such a member is indebted, to the Bank. During any co-operative year, the aggregate withdrawals shall not exceed 10% of the total paid up share capital as at 31st March of the preceding year.

b) 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 half of the amount withdrawn by him from the Bank.

17. EXPULSION OF A MEMBER

a) Bank may adopt a resolution passed by a majority of not less than two thirds of the members present and voting at a general meeting held for the purpose, expel a member for acts which are detrimental to the proper working of the Bank.

b) On expulsion from the Bank, in accordance with the provisions of the Act and the Rules, a person will cease to be a member. Such expulsion may involve forfeiture of Shares at the sole discretion 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.

c) No member of the Bank who has been expelled shall be eligible for readmission as a member of the Bank for a period of one year from the date of such expulsion.

18. CESSATION OF MEMBERSHIP

The membership of the Bank may cease in case of: -

a) Resignation of member duly approved by the Board or death of the member.

b) 'Transfer of all the shares to another member of the Bank;

c) Expulsions of member by the general body;

d) Incurring any of the disqualifications of membership;

e) Ceasing to be an employee as per Bye-Laws No. 10.

19. NOMINAL / ASSOCIATE MEMBER

The Bank at its discretion may admit a person on payment of a nonrefundable fee of Rs. 500/- as a nominal/associate member provided that no such nominal/associate member shall be entitled to subscribe to the shares of the Bank or have any interest in the management thereof including right to vote, be elected as a director of the board of participate in the general body meetings.

20. SHARE CERTIFICATE

a) Every person admitted as member of the Bank shall be entitled to receive in gratis a Share Certificate stating the number of share/shares and their distinctive number/ numbers and the value thereof. The Chairperson or any Director duly authorised and the Chief Executive shall sign the share certificates. The Share Certificate shall bear the Bank's seal.

b) If any certificate were worn out, defaced, mutilated, destroyed or lost, new share certificate/s may be issued in lieu thereof on payment of a fee as prescribed by the Board per share certificate and upon the delivery of the worn out or defaced original for cancellation and in the case of destruction or loss of the original, upon production of proof thereof to the satisfaction of the Board and on giving indemnity to the Board of Directors may deem require and upon such terms and conditions as the Board of Directors may think fit.

21. NOMINATION

a) A member may nominate a person to receive the member's interest in the Bank after his/her death. Nomination shall be made in the prescribed form and entered in the register kept by the Bank for the purpose. Prior approval of the Board shall be necessary if the person to be nominated is an employee of the Bank.

b) Nomination can be revoked and fresh nomination be made at number of times after due intimation in writing to the Bank and on payment of prescribed fee as may be determined by the Board of Directors from time to time for every subsequent nomination.

22. DEATH OF A MEMBER

On death of a member, the Bank may pay to the person or persons nominated a sum representing the value of the member's interest in the Bank within six months from the death of the member. In the absence of nomination, the Bank may pay to such person or persons as may appear to the Board of Directors to be entitled to receive the same as heir or legal representative of the deceased member on his or their executing an appropriate deed of indemnity in favour of the Bank.

23. LIABILITY OF A MEMBER

The liability of a member shall be limited to the share capital subscribed by him.

24. LIABILITIES OF PAST MEMBERS AND ESTATE OF A DECEASED MEMBER

a) The liability of a past member or of the estate of a deceased member of the Bank for the debts of the Bank as they existed;

i) In the case of a past member, on the date on which he ceased to be a member;

ii) In the case of a deceased member, on the date of his death shall continue for a period of two years from such date.

b) However, where the Bank is ordered to be wound up under Section 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.

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 of any member or past member for all dues from him/her to the Bank from time to time. The Bank may set off any sum credited by or payable to the member or past member against payment of any liability of such member or past member.

26. GENERAL BODY

a) The General Body of the Bank shall consist of all member of the Bank.

b) Subject to the provisions of the Act, the Rules and the Bye-Laws, the ultimate authority of the Bank shall vest in the General Body.

27. POWERS AND FUNCTIONS OF THE GENERAL BODY

The Board of the Bank under a resolution shall within six months after the close of the corresponding year call the Annual General Meeting at the principal place of the business of the Bank or any other place in area of operation in the interest of members for the purpose of:

a) Consideration of the audited statement of accounts;

b) Consideration of the audit report and annual report;

c) Consideration of audit compliance report;

d) Disposal of net profit;

¢) Review of operational deficit, if any:

f) Creation of specific reserves and other funds;

g) Approval of the annual budget;

h) Review of actual utilisation of reserve and other funds;

i) Approval of the long-term perspective plan and the annual operational plan;

j) Review of annual report and accounts of subsidiary institution, if any;

k) Expulsion of member;

l) List of employees who are relatives of members of the Board or of the Chief Executive;

m) Amendment of Bye-Laws, if any;

n) Formulation of code of conduct for the members of the Board and officers;

o) Election of members of the Board, if any;

p) Approval for appointment of Auditors & fixation of remuneration;

q) Consider a statement showing the details of the loans if any given to the member of the Board or to the spouse or son or daughter of a member of the Board during the preceding year or outstanding against them.

r) Any other matter to be laid before it by the Board of Directors.

28. SPECIAL GENERAL BODY MEETING

The Chief Executive Officer, may at anytime, on the direction of the Board, call a Special General Body Meeting of the Bank and shall call such meeting within one month after the receipt of requisition from the Central Registrar or from 250 of the total number of members of the Bank to transact the business as stated in notice of the meeting.

29. NOTICE FOR ANNUAL GENERAL BODY MEETING AND THE SPECIAL GENERAL BODY MEETING

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

b) Special General meeting of the Bank may be called by giving not less than 7 days' notice in writing to all the delegates/members of the Bank;

c) The notice of the Annual General Meeting shall be accompanied by a copy of each of the audited balance-sheet, profit and loss account together with the auditor's report relating to the preceding year and the report of the Board of Directors thereon, notice of election to the Board of Directors, if any and amendment to Bye-Laws, if any.

d) The notice of the General Body Meeting shall be sent to delegates/members by any of the following modes namely:

i) By local delivery; or

ii) Under postal certificate; or

iii) By publication in the newspapers having wide circulation;

iv) Notice of the General Body meeting shall also be affixed on the notice board of the Bank and its branches if any.

30. QUORUM OF THE GENERAL BODY MEETING

a) The quorum for the General Meeting shall be 250 members of the Bank.

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 delegates/members are not present to form the quorum, the Chairperson or the member presiding over the meeting on his own, or on his attention being drawn lo 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 (iii) or (iv) the adjourned meeting shall be held either on the same day or on such date, time and placed as may be decided by the Chairperson or the member presiding over the meeting; but within seven days of the 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.

31. CHAIRPERSON OF THE GENERAL BODY MEETING

The Chairman of the Board of Directors shall preside over the General Body Meeting. In his absence, the vice Chairman and in their absence the members of the Board of Directors shall elect one of the member directors to preside the general body meeting.

32. RESOLUTIONS

Unless otherwise specifically provided in the Act, Rules and the Bye-Laws, resolutions shall be carried by a majority of votes. Votes shall be taken by show of hands unless 400 members demand poll in which case a poll shall be taken. However, election to the Board of Directors shall be held by secret ballot as per the procedure mentioned in the election schedule annexed to MSCS Rules 2002.

33. MINUTES OF THE GENERAL BODY MEETING

Minutes of the General Body Meeting shall be entered, in the minutes book kept for the purpose within thirty days of the conclusion of the meeting and shall be signed by the Chairperson and Chief Executive of the Meeting. The minutes so signed, shall be an evidence of the correct proceedings of that meeting.

34. CONSTITUTION OF THE BOARD OF DIRECTORS

The affairs of the Bank shall be managed by the Board of Directors consisting of the following:

a) *(i) Divisional Rail Manager shall be Ex-Officio Chairman.

*(ii) Head of the Accounts Department/ Senior Divisional Finance Manager shall be Ex-Officio Vice-Chairman.

b) Twelve Directors to be elected by the members from the constituencies as below:

i) Four directors from Engineering Department & Electric Department.

ii) Two directors from Transportation Department & Signal & Telecommunication.

iii) Four Directors from Mechanical Department & Commercial Departmental.

iv) One Director from Workshop & Store.

v) One Director from Medical, Management, RPF, Accounts & Audit Department.

c) One Director nominated by the Railway Administration as per proviso under Section 48(1) of the Act;

d) The Chief Executive, who is the ex-officio member of the Board of Directors;

e) All the directors except the Chief Executive shall be elected by the member of General Body.

f) The elected Directors shall hold office for a period of five years from the date of election;

g) The elected member of the Board shall be eligible for re-election;

h) Apart from the above, the Board may co-opt two professional Directors as per Section 41(3) of the Act. The co-opted director does not have any voting rights. They can tender their advice on various issues which may or may not be accepted by the Board of Directors.

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i) Out of twelve directors, one seat for SC and two seats for women are reserved.

j) Security money for the candidate would be Rs. five hundred and refundable.

k) For voting in election the identity would be Railway ID followed by Aadhar.

35. POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS

a) The Board of Directors may exercise all such power as may be necessary or expedient of the purpose of carrying out its function under the act.

b) Without prejudice to the generality of the foregoing powers, such powers shall include the following powers: -

- i) To admit members;
- ii) To interpret the organizational objectives and set up specific goals to be achieved towards these objectives;
- iii) To make periodic appraisal of operations;

iv) To appoint and remove Chief Executive or other employees of the Bank as are not required to be appointed by the Chief Executive;

v) To make provisions for regulating the appointment of employees of the Bank and the scales of pay, allowances and other conditions of service of, including disciplinary action against, such employees;

vi) To place the annual report, annual financial statements, annual plan and budget for the approval of the general body.

vii) To consider audit and compliance report and place the same before the general body;

viii) To acquire or dispose of immovable property;

ix) To review membership in other co-operative;

x) To approve annual and supplementary budget;

xi) To raise funds;

xii) To sanction loans to the members; and

xiii) To dispose of revision against the orders passed by the Chief Executive in respect of punishment imposed by him to the Bank staff within a period of 45 days from the date of dispose of appeal by chairman.

xiv) To take such other measures or to do such other acts as may be prescribed or required under this Act or the Bye-Laws or as may be delegated by the general body.

xv) To decide power and function of committee/sub-committee, review & approval of proceedings.

36. DISQUALIFICATION FOR BEING A MEMBER OF THE BOARD

a) A member of the Bank shall be ineligible for being elected as, or for being a member of the 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 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 twelve months 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 member;

vii) 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;

(1) 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 is no case shall exceed six months, within the date so extended, or

(2) 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 capiy of six months from the ay oh 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 of which he ceased to hold office, for re-election as a member of the Board of the Multi State Co-operative Bank of which he was a member or for the election to the Board of any other Multi State Co-operative Bank.

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

ix) Is retained or employed as a legal practitioner on behalf of or against the Multi State Co-operative Bank, or on behalf of or against any other Multi State Co-operative Bank which is a member of the former Bank. Explanation for the purposes of this clause, "Legal Practitioner" ha the same meaning as in clause (i) of sub-section (1) of section 2 of the Advocates Act, 1961 (25 of 1961);

xx) Has been convicted for any offence under this act;

xi) Is disqualified for being a member under section 29;

xii) Has been expelled as a member under section 30;

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 have not been condoned by the members in the General Body.

b) A person shall not be eligible for being elected as member of Board of the Bank for a period of five years if, the Board fails :

i) To conduct election of the Board under section 45 of the Act; or

ii) To call the General Body meeting under section 39 of the Act; or

iii) To prepare the financial statement and present the same in the annual General Meeting.

37. REMOVAL OF THE ELECTED MEMBER OF THE BOARD BY THE GENERAL BODY

An elected member of a Board, who has acted adversely to the interests 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 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.

38. VACANCY IN THE BOARD OF DIRECTORS

If any vacancy arises in the Board of Directors, it shall be filled by election by the members of General Body for the remaining unexpired term of the Board.

39. MEETINGS OF THE BOARD OF DIRECTORS

a) The majority shall decide any question brought forward for discussion at the meeting of the Board of Directors. In case of equality of votes, the Chairman shall have a casting vote.

b) The proceedings of the meetings of the Board shall be recorded in the minute book to be kept for the purpose.

c) The Chief Executive shall convene the meeting of the Board at the instance of the Chairman of the Bank.

d) The Board of Directors shall meet at least once in every quarter.

e) 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 but within the area of operation of the Bank.

f) 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 Chair person for the Meeting from among themselves.

g) Seven days' notice shall ordinarily be necessary for the meeting of the Board of Directors.

h) The quorum of the Board Meeting shall consist of eight elected directors.

AMENDMENT -

h) The quorum of the Board Meeting shall consist of more than half of elected directors.

i) In emergency, the issue may be decided by Board of Directors by circulation but the minutes thereof shall have to be got confirmed in the next meeting.

j) In case of need an emergent meeting of Board of Director may be called on three days' notice also.

40. COMMITTEES OF THE BOARD

The Board of Directors shall constitute an Executive Committee and other Committees or Sub-Committees as may be considered necessary, provided that other committees or sub-committees, other than the Executive committees shall not exceed three at a given point of time.

41. CHAIRMAN AND VICE CHAIRMAN

Divisional Railway Manager will be Ex-officio Chairman of the Bank & Head of the Accounts Department/Senior Divisional Finance Manager will be Ex-Officio Vice Chairman of the Bank. The Chairman and in his absence the Vice-Chairman shall preside over the Meeting of Board of Director & the General body.

42. POWERS AND FUNCTIONS OF THE CHAIRMAN

The Chairman shall have the following powers and functions:

a) He shall preside over the meeting of the General Body, Board of Directors, Executive Committee and any other committees;

b) The Chairman shall sign the proceedings of all the meetings presided over by him;

c) In the event of equality of votes on a resolution the Chairman shall have a casting vote in the meeting;

d) To convene the meeting of the Board of Directors. Executive Committee and other committees of which he is the Chairman;

e) The Chairman may delegate any of his powers and functions to the Vice-Chairman.

f) The Chairman may take decisions as of an urgent and emergent nature affecting the policy of the Bank on behalf of the Board of Directors, Executive Committee or any other committees. The matter will be placed before the next meeting of the concerned committee for ratification.

g) Signing of the Documents and on behalf of the Bank.

h) To dispose of appeal against the punishment order imposed by the Chief Executive Officer on the staff of the Bank.

43. PROHIBITION TO HOLD OFFICE OF CHAIRMAN OR VICE-CHAIRMAN IN CERTAIN CASES

a) He is minister in the Central or State Government;

b) At the same time, he is holding the position of Chairman or Vice-Chairman of the Board of more than two Multi State co-operative Societies.

44. MINUTES OF THE MEETING OF BOARD OF DIRECTORS

The minutes of the meetings of the Board of Directors shall be recorded in the Minute Book kept for the purpose within thirty days of the Meeting and the pages of which shall be duly numbered. The Chairman of the meeting and the Chief Executive of the Bank shall sign the minutes of the meeting.

45. CHIEF EXECUTIVE

Chief Executive Officer is called the Chief Executive of the Bank and he hall be appointed by the Board of Directors. He shall be a full time employee of the Bank and he shall aid and assist the Board of Directors in their functions. The Chief Executive shall also be the ex-officio member of the Board of Directors.

46. POWERS AND FUNCTIONS OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer shall, under the general superintendence, direction and control of the Board, exercise the powers and discharge the functions specified below, namely :

a) Day-today management of the business of the Bank;

b) Operating the accounts of the Bank and he responsible for making arrangements for safe custody of cash;

c) Signing on the documents for and on behalf of the Bank;

d) Making arrangements for the proper maintenance of various books and records of the Bank and for the correct preparation, timely submission of periodical statements and returns in accordance with the provisions of this Act, the rules and the Bye-Laws;

e) Convening meetings 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 and maintaining proper records for such meetings;

f) Making appointments/promotions etc. Imposed punishment (major) to the staff in the Bank as per notification of Registrar dated 03.03.1980 as per CCA Rules, 1958. Appeal shall lie to the chairman within 30 days from the date of receipt of punishment order.

g) Assisting the Board in the formulation of policies, objectives and planning;

h) Furnishing to the Board periodical information necessary for appraising the operations and functions of the Bank;

i) Appoint the period to sue or be sued on behalf of the Bank;

j) Present the draft annual report and financial statements for the approval of the Board within thirty days of closure of the financial year.

k) All bank accounts, cash transactions including relating to Government Securities, investment shall be operated by the

Chief Executive Officer & Manager or as decided by the Board of Directors;

l) To suspend any installment of Principal amount of Loan upto the maximum limit of 3 installments;

AMENDMENT -

46(l) To delete as per master circular of RBI.

m) Performing such other duties and exercising such other powers, as may be specified by Board of Director.

n) To suspend, revoke the suspension & decide the period.

47. MANAGER

There shall be a Manager to look after day-to-day business of the Bank under the control of Chief Executive Officer. All the staff will be under the Control of Manager.

The power of the Manager shall be -

a) Manager shall work under the superintendence of CEO.

b) Under the instruction issued by Board of Director & Chief Executive Officer he shall sign all the documents and on behalf of the Bank & accept all deposits.

c) Scrutinise the loan application forms & place them before CEO for further necessary action.

d) Control over the NPA & overdue Loan with the assistance of Sr. Accountant and Accountants.

e) Maintain the Bank's account, F.D.R. with other Banks timely.

f) Casual expenditure to the extent sanctions by Board of Director for Bank use.

g) Place the monthly & annually statement of Balance Sheet and Profit & Loss Account before the Board of Director through CEO.

h) Supervise the work of all the staff.

i) Initiate disciplinary proceeding, impose penalty (Minor) under C.C.A. Rules 1958 imposed by Registrar by notification dated

03.03.1980. Appeal against the penalty order lie to CEO within 30 days from the date of receipt.

j) Sanction or regret the leave application of sub-ordinate staff.

k) Investment of funds as per rules laid down by the Board of Director.

l) Any other works necessary for day-to-day administration under the direction of CEO & Board of Director.

48. DEPOSITS

a) Deposits may be received from the members and others at any time within the limits determined under the Act and Rules, 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.

b) Deposits may be received on current, savings, fixed recurring, cumulative and under any other special scheme/s.

c) 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. INTEREST ON BORROWINGS

The interest rate on the Money borrowed from members and other shall be as determined by the Board of Directors.

50. COMPULSORY MONTHLY THRIFT DEPOSIT (CMTD)

Every member of the Bank should subscribe to this scheme so long as he continues as member of the Bank according to the scales/slabs framed by the Board of Directors.

a) The rate of subscription decided by Board of Director shall be recovered from the member salary every month.

b) The subscription to the credit of each member shall bear interest as decided by the Board of Directors.

c) No member shall be permitted to withdraw any sum from COMPULSORY MONTHLY THRIFT DEPOSIT (CMTD) except at the time of his retirement, termination of his service or cessation of his membership. In the event of his death, the money to the credit of the member A/c is refunded to the nominee as per Bye-Laws No. 21 and 22 after deducting any liability of his surety.

51. LOAN AND ADVANCES

The following loans may be granted to members subject to the availability of Funds with the approval of the Board of Directors :-

a) Ordinary Loan

b) Emergent Loan

c) Housing Loan

d) Education Loan

52. ORDINARY LOAN

a) Maximum Loan Limit :-

i) 30 months pay (basic pay + dearness pay if any) or Rs. 5 Lac whichever is less.

AMENDMENT -

i) +

ii) Loan may be granted in the multiple of thousands.

b) Eligibility :-

Six months membership of the Bank.

c) Recovery of Loan :-

The Loan installments shall not be less than 10 and not more than 90.

AMENDMENT -

c) Recovery of Loan :-

The Loan installments shall not be less than 5 and not more than 120.

d) Shares :-

For the advancement of loan, a member shall has to purchase one share for a loan of every one thousand rupee.

AMENDMENT -

Shares :-

For the advancement of loan, a member shall has to purchase one share for a loan of every two thousand rupee.

e) Interest Rate

As decided by the Board of Directors.

f) Subsidiary Rules and Regulations shall be framed by the Board of Director to remove any difficulties in granting this loan.

g) BOD may make amendment in clause (a) to (f)

53. EMERGENT LOAN

a) Maximum Loan Limit :-

i) 70% of the balance of Compulsory Monthly Thrift Deposit amount at his credit or Rs. 50,000/- whichever is less.

AMENDMENT -

i) 70% of the balance of Compulsory Monthly Thrift Deposit amount at his credit or Rs. 10,00,000/- whichever is less.

ii) Loan may be granted in the multiple of thousands.

b) Eligibility :-

One year membership of the Bank.

c) Recovery of Loan :-

The Loan shall be recoverable in minimum 5 to maximum 20 monthly installments.

AMENDMENT -

Recovery of Loan :-

The Loan shall be recoverable in minimum 5 to maximum 60 monthly installments.

d) Shares :-

For the advancement of loan, a member shall has to purchase one share for a loan of every one thousand rupee of part thereof.

e) Interest Rate :-

As decided by the Board of Directors.

f) Subsidiary Rules and Regulations shall be framed by the Board of Director to remove any difficulties in granting this loan.

g) BOD may make amendment in clause (a) to (f)

54. HOUSING LOAN

a) Maximum Loan Limit :-

i) 48 months pay (basic pay + dearness pay if any) or Rs. 10 Lac whichever is less.

ii) Loan may be granted in the multiple of thousands.

b) Eligibility :-

Three years membership of the Bank.

c) Recovery of Loan :-

The Loan installments shall not be less than 48 and not more than 180.

d) Shares :-

For the advancement of loan, a member shall has to purchase one share for a loan of every one thousand rupee of part thereof.

e) Interest Rate :

As decided by the Board of Directors.

f) Subsidiary Rules and Regulations shall be framed by the Board of Director to remove any difficulties in granting this loan.

g) BOD may make amendment in clause (a) to (f)

55. EDUCATION LOAN

a) Maximum Loan Limit: -

i) 40 months’ pay (basic pay + dearness pay if any) or Rs. 5 Lac whichever is less.

ii) Loan may be granted in the multiple of thousands.

b) Eligibility: -

Six months' membership of the Bank.

c) Recovery of Loan: -

The Loan installments shall not be less than 24 and not more than 120.

d) Shares: -

For the advancement of loan, a member shall has to purchase one share for a loan of every one thousand rupee of part thereof.

e) Interest Rate:

As decided by the Board of Directors.

f) Subsidiary Rules and Regulations shall be framed by the Board of Director to remove any difficulties in granting this loan.

g) BOD may make amendment in clause (a) to (f)

56. DISPOSAL OF NET PROFIT

Subject to the provisions of the Act and Rules framed there under, the General Body on the recommendations of the Board of Directors may appropriate the net profit in the following manner: -

a) Transfer at least 25% of net profit to the reserve fund;

b) Credit one percent of its net profit to the co-operative education fund maintained by the National Co-operative Union of India;

c) An amount of at least 10% of the net profit shall be transferred to the reserve fund for meeting unforeseen losses;

d) 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%

   ii) Contribution to the education fund at the rate of 2% or more and not exceeding 10% of the Net Profit. The fund may be utilized for the education and training of members, directors and employees as approved by the Board of Directors;

   iii) Contribution to the charitable fund for 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% of the Net Profit;

iv) Contribution to the Building Fund at the rate of 2% or more and not exceeding 10% of the Net Profit. The fund may be utilized for the repairs and new construction of building as approved by the Board of Directors.

v) Contribution towards Dividend Equalization Fund at the rate of 2% or more and not exceeding 10% of the Net Profit. The fund may be utilized or regulate payment of Dividend to the members to maintain the dividend rate not below 5%

AMENDMENT -

56(d) (v)To delete as per master circular of RBI.

vi) Contribution towards Group Insurance Fund at the rate of 2% or more and not exceeding 10% of the Net Profit. The fund may be utilized for payment to the nominee/legal heir of the deceased employee of the Bank.

vii) Payment of ex-gratia bonus to staff to Bank maximum up to Rs. 7000/- per employee for 365 days or as approved by the Board of Directors.

AMENDMENT –

Payment of ex-gratia bonus to staff to Bank maximum upto Rs. 15000/- per employee for 365 days or as approved by the Board of Directors.

viii) Not exceeding 10% of the Net Profit to Share Holder and Staff Welfare Fund. The fund may be utilized as per Bye Laws No. 5(e).

ix) Transfer to the bad and doubtful reserve at the rate of 2% or more and not exceeding 10%. The fund may be utilized for written off the bad debts amount of loan and advances.

Xx) Transfer to the Investment fluctuation reserve at the rate of 2% or more and not exceeding 10%. The fund may be utilized for decrease the value of investment or loss on sale of investment.

xi) Contribution towards the staff leave salary fund at the rate of 2% or more and not exceeding 10%. The fund may be utilized for payment to the employee of the Bank for encashment of leave as decided by the Board of Directors from time to time.

xii) The remaining net profit, if any, shall be credited to the Reserve Fund.

57. INVESTMENTS OF FUNDS

The Bank may invest or deposit its funds in :

a) Co-operative banks;

b) Securities specified in Section 20 of the Indian Trust Act 1882;

c) Shares and securities of any other co-operative Bank/ subsidiary institutions;

d) Any other scheduled bank/Nationalized Bank/Other Public Sector Bank.

e) Central/State Government Securities;

f) Any other mode duly approved by the Board of Directors.

58. RESERVE FUND

a) In addition to the sum prescribed under the Act, Rules and Bye-Laws, all admissions fees, entrance fees, nominal membership fees, amount of forfeited shares and dividend and donations if any shall be carried to the Reserve Fund. :

AMENDMENT -

a) In addition to the sum prescribed under the Act, Rules and Bye-Laws, all admissions fees, entrance fees, nominal membership fees, amount of forfeited shares and dividend and donations if any shall be carried to the Reserve Fund and as per Rule of IT.

b) The Reserve Fund shall be separately invested in Government and trustee securities or any other approved securities or in fixed deposits with any nationalised Bank/Other Public Sector Bank or any other State/Central Co-operative Banks.

c) The Reserve fund to meet unforeseen losses shall be available for use by resolution of the General Body Meeting to cover deficiencies, which may arise from unforeseen losses.

d) Any loss occurring as the net result of the year's working shall be recovered from the profits of the next ensuing year or years.

59. DIVIDEND

a) The Dividend declared shall be paid to the person whose name stands first as the registered shareholder in the books of the Bank on the last day of the co-operative year to which the dividend relates.

b) Any Dividend remaining unclaimed for three years after having been declared may be forfeited by the Board of Directors and shall be carried to the Reserve Fund of the Bank.

c) Unpaid Dividend shall be payable on application provided the same has not been forfeited.

d) 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. Amount credited during April to Sept. should be counted as Half Share and paid during Oct. to March shall be counted half share.

60. ACCOUNTS AND RECORDS

Accounts and records shall be maintained in forms prescribed under the Act, Rules and Bye-Laws and approved by the Central Registrar and Reserve Bank of India with such additions as the Board of Directors consider necessary. Any member of the Bank may inspect during office hours any of the registrars or records in so far as it relates to his own business transaction.

61. AUDIT

a) The Annual Accounts of the Bank shall be audited by an auditor appointed from the panel of auditors 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 Central Registrar or the Bank as the case may be, as per the provisions of the section 70 of the Act. The appointment of the auditor and his remuneration shall be approved in the General Body Meeting of the Bank. The qualifications / disqualifications, powers, rights and duties of the auditor shall be as prescribed under the Act.

b) The internal accounts of the Bank shall be audited by a Chartered Accountant appointed by the Board. The remuneration of the Chartered Accountant shall also as decided by the Board of Directors.

62. COMMON SEAL

The Bank shall have a common seal, which will remain in the custody of the Chief Executive, it shall be affixed by the Chief Executive Officer as per specific resolution of the Board of Directors.

63. AMENDMENT TO BYE-LAWS

The amendment to the Bye-Laws of the Bank shall only be passed by a resolution of the meeting of the General Body in which quorum is present by a vote of not less than two thirds of the members/delegates present thereat and not less than 15 clear day's notice for the considering of such amendment has been previously given to members/delegates.

64. EDUCATIONAL COURSE FOR MEMBERS

The Bank shall organize Co-operative educational programmes for its members, directors and employees and sufficient funds in this regard shall be earmarked as per the requirement.

65. SETTLEMENT OF DISPUTE

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

b) The limitation period in disputes shall be as per the provisions of the Act.

66. PROVIDENT FUND

The Bank shall maintain a contributory Provident Fund for the benefits of its employees in accordance with the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.

67. SERVICE RULES

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

68. WINDING UP

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

69. ASSOCIATION OF EMPLOYEES IN THE MANAGEMENT DECISION MAKING PROCESS

The Bank shall devise such procedure through administrative instructions for the association of employees in the management decision making process.

70. 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 namely.

a) Annual reports of the activities.

b) Audited Statement of accounts.

c) Plan for surplus disposal as approved by the General Body.

d) List of amendment to the Bye-Laws of the Multi State Co-operative Bank.

e) Declaration regarding date of holding of the General Body meeting and conduct of election where due.

f) Any other information required by the Central Registrar in pursuance of any of the provision of this Act.

g) These statements shall be made as on 31st March every year.

71. OPERATION OF BANK ACCOUNTS

For the use of Bank Money can be withdrawal from Bank by cheques & transfer in other Banks by cross cheque. Cheque shall be signed jointly by any two from the following authorised signatories : Chairman, Vice Chairman, Chief Executive Officer, Manager and Senior Accountant are authorised to sign the above documents.

72. MISCELLANEOUS

a) Execution of decrees, orders and decisions shall be as per the provisions of Chapter XI of the Act.

b) Appeals and Review shall be as per the provisions of Chapter XII of the Act.

c) Offences and penalties shall be as per the provisions of Chapter XIV of the Act.

d) 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.

e) 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.

f) The mat, which have not been provided for herein, shall be decided in accordance with the provision of Act and Rules. To company with the provisions of Multi State Co-Operative Societies Act 2002 and Rules made there under.

(G.L.Suthar)
Chief Executive Officer

(V.K.Panwar)
Vice Chairman/Sr. Divisional Finance Manager

Brij Kumar Goyal

Digitally signed by Brij Kumar Goyal
Date: 2026.07.23 15:22:23 +05'30'