

## Proposed Amendment in Bye-laws of The Khamgaon Urban Co-operative Bank Ltd.,Khamgaon

Existing Bye-laws no.	Existing Bye-laws	Proposed Bye-laws no.	Proposed Bye-laws	Reason
4	<p><b>Definitions:-</b></p> <p>ia) New clause</p> <p>ib) New clause</p> <p>vi) 'CENTRAL REGISTRAR' means the Central Registrar of the Co-operative Societies appointed under sub section (1) of the section 4 and includes any Officer empowered to exercise the powers of the Central Registrar under sub section (2) of the section 4 of the Multi-State Co-operative Societies Act.</p> <p>xi) 'CO-OPERATIVE YEAR' means the year ending on the 31 st day of March of the year.</p> <p>xi) New clause</p>	4.	<p><b>Definitions:-</b></p> <p>ia)"Authority" means the Co-operative Election Authority established under sub-section (1) of section 45;</p> <p>ib) "Co-operative Ombudsman" means the Ombudsman appointed by the Central Government under section 85A;</p> <p>vi)"Central Registrar" means the Central Registrar of Cooperative Societies appointed "as per clause (f) of article 243ZH of the Constitution read with sub-section (1) of section 4" and includes any officer empowered to exercise the powers of the Central Registrar under sub-section (2) of that section;</p> <p>xi) Deleted &amp; new clause substituted as under,</p> <p>xi)"financial year", in relation to any multi-State co-operative society or class of such societies, means the year ending on the 31st day of March of the year and where the accounts of such society or class of</p>	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment ) Rules,2023

	xxiii) 'NOTIFICATION' means a notification published in the official gazette.		such societies are, with the previous sanction of the Central Registrar, balanced on any other day, the year ending on such day;' xxiii)"notification" means a notification published in the Official Gazette;"and the expression 'notified' with its cognate meanings and grammatical variations shall be construed accordingly"	
6	<b>MEMBERS:-</b> <b>(A)Regular Member:</b> a)The individual is not convicted of any criminal offense involving moral turpitude.		<b>MEMBERS:-</b> <b>(A)Regular Member:</b> a)Any person engaged in money lending, financing & investment activities,either in individual capacity or as proprietor/ partner/ employee/director of any concern as also those convicted of any criminal offense involving moral turpitude.	It is pointed out in RBI inspection FY 2023-24 that the existing bye-laws is not in conformity with the RBI guidelines hence amendment is considered necessary.
7	<b>(iii) Expulsion of a Member:</b> (c)New clause	7	<b>(iii) Expulsion of a Member:</b> (c) No member of the Bank who has been expelled under sub clause (a), shall be eligible for re-admission as a member of the Bank, for a period of three years from the date of such expulsion.	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023
8	<b>RIGHTS OF REGULAR MEMBERS:</b> v) New Clause	8	<b>RIGHTS OF REGULAR MEMBERS:</b> v) Right to inspect (1) audited balance sheet of preceding financial year,(2) bye-laws of the bank &	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment)

			(3)register or record related to his/her own transactions.Member may obtain the copy of the same ( 1 to 3) on payment of such fee as may be specified by the bank.	Rules,2023
18	<b>MAXIMUM BORROWING POWER</b> The Borrowing by way of deposits and loans during any financial year shall not exceed ten times of the sum of subscribed share capital and accumulated reserves, the accumulated losses shall be deducted.	18	<b>MAXIMUM BORROWING POWER</b> The Borrowing by way of deposits and loans during any financial year shall not exceed thirty times of the sum of subscribed share capital plus accumulated reserves minus the accumulated losses, if any.Provided that the total amount of deposits and loans received during any financial year shall not exceed such multiples as may be determined by the Central Government of the sum of subscribed share capital and accumulated reserves minus accumulated losses, if any.	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023
29	<b>BOARD OF DIRECTORS :-</b> The Management of the bank shall vest in the hands of the Board of Director-s consisting of 18 directors which are to be elected from amongst the members as under, (i) (a) 10 Directors from amongst the members (General Constituency) residing in the district where the head quarter of the bank is situated. (d) One director from the members belonging to weaker section. (v) The Board of Directors shall be elected once in five	29	<b>BOARD OF DIRECTORS :-</b> The Management of the bank shall vest in the hands of the Board of Director-s consisting of 18 directors which are to be elected from amongst the members as under, (i) (a) 11 Directors from amongst the members (General Constituency) residing in the district where the head quarter of the bank is situated. (d) This clause is to be deleted (v)The Board of Directors shall be elected once in five	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023

	years as per the election rules framed by the Board and approved by the General body as provided under below No. 30 (29).		years.The Chairman and the Chief Executive of the Bank shall inform the Authority, six months before the expiry of the term of the existing board, to conduct the elections within time & shall provide all necessary support to the Authority to conduct elections for the Bank.	
30	<b>POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS:</b> The powers and functions of the Board shall be as under : (xxxvi) New Clause	30	<b>POWERS AND FUNCTIONS OF THE BOARD OF DIRECTORS:</b> The powers and functions of the Board shall be as under : (xxxvi)To appoint Co-operative Information Officer, the Co-operative Information Officer shall provide the information to the members of the Bank regarding to right to inspect (1) audited balance sheet of preceding financial year,(2) Bye-laws of the bank & (3) register or record related to his/her own transactions.Member may obtain the copy of the same ( 1 to 3) on payment of such fee as may be specified by the bank.	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023
31	<b>MEETINGS OF THE BOARD OF DIRECTORS AND NOTICE OF THE MEETING:</b> (vi) New clause	31	<b>MEETINGS OF THE BOARD OF DIRECTORS AND NOTICE OF THE MEETING:</b> (ii) (a)The meeting shall be convened by the Chief Executive of the Bank at the instance of the Chairman of the Bank.In a situation where such Chairman fails to direct the Chief Executive to convene the meeting of	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023

	(vii) New clause		the board within the quarter, such Chief Executive shall convene the meeting on the basis of requisition of the Vice-Chairman or any other Member of the board: (vii) The Chief Executive may also convene the meeting on the basis of requisition from at least fifty per cent of Members of the board;	
37	<b>VACATION OF OFFICE BY A DIRECTOR</b> A Director shall be deemed to have vacated his office before the expiry of his term if : v) He has been convicted of an offense involving a morel turpitude unless a period of six years has elapsed since his conviction;	37	<b>VACATION OF OFFICE BY A DIRECTOR</b> A Director shall be deemed to have vacated his office before the expiry of his term if : v) He/She has engaged in money lending, financing & investment activities,either in individual capacity or as proprietor/ partner/ employee/director of any concern as also those convicted of any criminal offense involving moral turpitude .	It is pointed out in RBI inspection FY 2023-24 that the existing bye-laws is not in conformity with the RBI guidelines hence amendment is considered necessary.
40	<b>CHIEF EXECUTIVE OFFICER :-</b> The Chief Executive Officer shall be selected and appointed by the Board of Directors, who shall be a full time salaried employee of the Bank.	40	<b>CHIEF EXECUTIVE OFFICER :-</b> The Chief Executive Officer shall be the Chief Executive of the bank and shall be a full-time employee of the Bank.He/She shall be appointed by the Board as per MSCS Act,2002 & MSCS Rules,2002 and any others norms issued by the Central Government in this regard & as per the guidelines issued by RBI from time to time.He/She shall aid & assist the Board of Directors in its functions.He/She	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023

			shall be Ex-officio member of the Board,BOM & all committees & sub-committees of the Board of Directors as may be constitute.	
43	<b>(A) LINKING OF SHARE HOLDING WITH LOAN LIMITS. :-</b> (v) New Clause	43	<b>(A)LINKING OF SHARE HOLDING WITH LOAN LIMITS. :-</b> (v) Maximum cap of linking of shares is Rs.10,00,000/- (Ten Lacs)	This amendment is required for business expansion.
44	<b>DISTRIBUTION OF NET PROFIT :-</b> (ii)Credit 1 % of its net profit to the Cooperative Education Fund maintained by the National Cooperative Union of India; (iv) New clause	44	<b>DISTRIBUTION OF NET PROFIT :-</b> (ii)Credit 1 % of its net profit to the Cooperative Education Fund maintained by the Central Government (iv) If the Bank is in profit for the preceding three financial years Rs.1 crore or 1% of its net profits(whichever is less)shall be credited to the Co-operative Rehabilitation, Reconstruction and Development Fund maintained by the Central Government.	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023
47	<b>INVESTMENT OF FUNDS:</b> The Bank may invest or deposit its Funds in (i) Securities specified in Section 20 of the Indian Trust Act. 1882 ;	47	<b>INVESTMENT OF FUNDS:</b> The Bank may invest or deposit its Funds in (i) in any of the securities issued by the Central Government, State Government, Government Corporations, Government Companies, Authorities, Public Sector Undertakings or any other securities	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023

	(iv) New clause		<p>ensured by Government guarantees</p> <p>(iv) In such other manner as may be determined by the Central Government/ Reserve Bank of India</p>	
56	<p><b>MISCELLANEOUS :</b></p> <p>(iv) New clause</p>	56	<p><b>MISCELLANEOUS :</b></p> <p>(iv) The Bank shall comply with the direction of the Co-operative Ombudsman as appointed under section 85A of the MSCS Act 2002 &amp; Rules there under.</p>	<p>Required as per provisions of MSCS (Amendment) Act , 2023 &amp; MSCS (Amendment) Rules, 2023</p>