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	**Definitions:-** xxvii) New clause xxviii) New clause	4	**Definitions:-** xxvii)Employees means & includes all persons who has been appointed on permanent basis/on contract basis / appointed by any mode of process in the Bank/ex employees of the Bank. xxviii)Employee's relative means spouse,father (including step father),mother (including step mother), son's (including step son), son's wife, daughter (including step daughter),daughter's husband,brother (including step brother), brother's wife,sister (including step sister),sister's husband.	The amendment is required for smooth working of the Bank.

6	**MEMBERS:-** **(A)Regular Member:** aa) New clause	6	**MEMBERS:-** **(A)Regular Member:** aa) Any person engaged in money lending, financing & investment activities,either in individual capacity or as proprietor/ partner/ employee/director of any concern .	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.
18	**MAXIMUM BORROWING POWER** 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	**MAXIMUM BORROWING POWER** 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	**BOARD OF DIRECOTRS :-** 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	29	**BOARD OF DIRECOTRS :-** 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	Required as per provisions of MSCS (Amendment) Act , 2023 & MSCS (Amendment) Rules,2023

	(General Constituency) residing in the district where the head quarter of the bank is situated. (b) 4 Directors from amongst the members residing in the area served by the branches situated outside the district of the head quarters. (c) One Director from amongst the members who belongs to Scheduled Caste or Schedule Tribes or Vimukta Jatis /Nomadic Tribs (Backward class representative) ; (d) One director from the members belonging to weaker section. (e) Two Directors from amongst the lady members of the Bank (Ladies Representative) ; (ii) In addition to elected Directors, the Board of Directors may co-opt 2 (two) Directors from amongst economists, co-operators, Chartered Accountants, from banking field, etc. However, such co-opted Directors shall not be entitled to vote at the meeting of the Board of Directors or shall not be entitled to be elected as Chairman or Vice-Chairman. (iii) In addition to the above, in the event of the		(General Constituency) residing in the district where the head quarter of the bank is situated. (b) **4** Directors from amongst the members residing in the area served by the branches situated outside the district of the head quarters. (c) **One** Director from amongst the members who belongs to **Scheduled Caste or Schedule Tribes or Vimukta Jatis /Nomadic Tribs (Backward class representative)** ; (d) This clause is to be deleted. (d) **Two** Directors from amongst the lady members of the Bank **(Ladies Representative)** ; (ii) In addition to elected Directors, the Board of Directors may co-opt 2 (two) Directors from amongst economists, co-operators, Chartered Accountants, from banking field, etc. However, such co-opted Directors shall not be entitled to vote at the meeting of the Board of Directors or shall not be entitled to be elected as Chairman or Vice-Chairman. (iii) In addition to the above, in the event of the	

	State Govt. Contributing to the share - capital of the Bank, it shall be entitled to nominate one Director, on the Board of Directors of the Bank. (iv) In addition to the above the functional director / the Chief Executive Officer shall be Ex-Officio member of the Board of Directors. (v) The Board of Directors shall be elected once in five years as per the election rules framed by the Board and approved by the General body as provided under below No. 30 (29). (vi) The Board of Directors shall hold office for a period of 5 years, from the date of election. (vii) The Board of Directors of the Bank should, at all times, have at least two directors with suitable banking experience (at middle/senior management level) or with relevant professional qualifications i.e., chartered accountants with bank accounting/auditing experience. However, in any case total number of directors shall not exceed 21.		State Govt. contributing to the share - capital of the Bank, it shall be entitled to nominate one Director, on the Board of Directors of the Bank. (iv) In addition to the above the functional director / the Chief Executive Officer shall be Ex-Officio member of the Board of Directors. (v)The Board of Directors shall be elected once in five 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. (vi) The Board of Directors shall hold office for a period of 5 years, from the date of election. (vii) The Board of Directors of the Bank should, at all times, have at least two directors with suitable banking experience (at middle/senior management level) or with relevant professional qualifications i.e. chartered accountants with bank accounting/auditing experience. However, in any case total number of directors shall not exceed 21.	

36	**ELIGIBILITY FOR ELECTION AS DIRECTOR:** vii) New clause viii) New clause	36	**ELIGIBILITY FOR ELECTION AS DIRECTOR:** vii) He/she is not an employee of the bank as defined in Bye laws no.4(xxvii) of the Bank. viii) He/she is not an employee's relative of the bank as defined in Bye laws no.4(xxvii) of the Bank.	The amendment is in consistent with Bye laws No.6 (A) (i) (b) & required for smooth working of the Bank.