

BYE-LAWS OF THE ASKA CO-OP. CENTRAL BANK LTD., ASKA

1. i) **Name, Address and area of operation.**

The Aska Co-operative Central Bank Ltd., Aska is registered under the Orissa Co-operative Societies Act 1962 [Orissa 2 of 1963] and its registered office at Aska, Post: Aska, District: Ganjam. Change if any, in the address shall be informed to the registering authority, Auditor General of Co-operative Societies and its Financing Bank within 30 days of such change.

ii) The Aska Co-op. Central Bank Ltd., hereinafter shall be referred as "the Bank".

iii) The Bank by a resolution of the Committee may open branches at any place within its area of operation with prior sanction of the Registrar of Co-operative Societies.

iv) The area of operation of the Bank shall extend to the whole of Ghumsur Division (Sub-Division) and the Athagada Estate of Kodala Taluk as well as the villages of the Chhatrapur Taluk situated on the western bank of the Ghodahado river excepting the Co-operative Societies (1) Burupada (2) Kanjama and (3) Khondra which are financed by the Berhampur Co-operative Central Bank Ltd.

2. i) Definition:

"Act" means the Orissa Co-operative Societies Act, 1962 (Orissa Act 2 of 1963] as amended from time to time.

ii) "Rules" means the Orissa Co-operative Societies, Rules, 1965 as amended from time to time.

iii) "Byelaws" means the Registered byelaws of the Bank.

iv) "Committee" means the committee of Management of the Bank.

v) "Sub-Committee" means any Sub-Committee appointed by the committee Under Section 28(1) (a)(xi) of the Act.

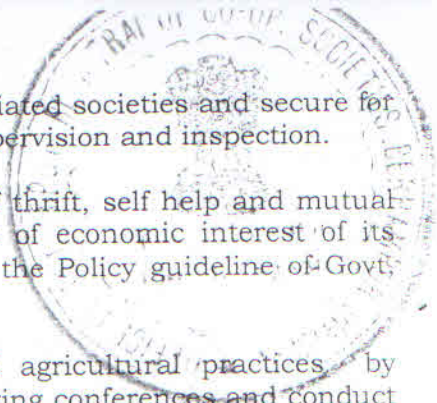
vi) "Registrar" shall have the same meaning as assigned to it in the Act.

vii) "Prescribed" means prescribed by the Orissa Co-op. Societies Rule framed under the OCS Act.

3. Objects

The Objects of the Bank are:

i) to raise funds for financing co-operative societies, Employees credit Co-op. Societies, Handloom Co-op. Societies and any other Co-op. Society permitted under NABARD Act Registered or deemed to be so registered under the Act and duly affiliated to it, individual and other body corporate enrolled as nominal member of the Bank in accordance with Act, Rules and Bye-laws has amended from time to time.

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- ii) to develop, assist and co-ordinate the work of the affiliated societies and secure for them financial help whenever necessary, arrange for their supervision and inspection.
 - iii) to organize co-operative societies for the promotion of thrift, self help and mutual aid among agriculturists and other persons for promotion of economic interest of its members in accordance with co-operative principles within the Policy guideline of Govt. NABARD.
 - iv) to propagate the principles of co-operation, sound agricultural practices by disseminating information, publishing pamphlets and arranging conferences and conduct training, awareness camps, hold seminar for skill up-gradation of officials and non-officials and also members of the affiliated Co-op. Societies, SHGs.
 - v) to arrange for supply of stationery, books, forms, iron chests etc., required by the affiliates societies.
 - vi) to carry on general business of banking as defined in the Banking Regulation Act 1942 and.
 - vii) to accept corporate agency of the insurance companies to sell life and non-life insurance products to boost the non-fund business of the Bank.
 - viii) to organize SHGs and to promote Micro Finance among the economically poor directly or through affiliated PACS and LAMPCS.
 - ix) to undertake such other work as will promote the cause of co-operation and to do all such things as may be necessary or desirable for the accomplishment of the aforesaid objects with the guidelines laid down by RBI, NABARD and the Registrar as the case may be.

4. Share Capital

The authorized share capital of the Bank shall for the present be Rs.51,00,00,000/- (Rupees Fifty One Crores) only made up of.

- i) 500000 (Five lakhs) share of Rs.1000/- (Rupees one thousand) each to be allotted to the State/ Central Govt., Co-op. Societies and other body corporates as 'A' class members.
- ii) 10000 (Ten Thousand) shares of Rs.500/- (Rupees Five Hundred) each to be allotted to individual persons as 'B' class members, and
- iii) 50000 (Fifty Thousand) shares of Rs.100/- (Rupees One Hundred) each for nominal members.

5. Membership

1. The membership of the Bank shall, subject to the provisions of the Act, Rules and these Bye-laws be open to:

- a) any credit Co-op. Society, Handloom Society, Employees Credit Co-op. Societies and any other Society permitted under RBI/ NABARD Act for getting refinance located in the area of operation of the Bank.
- b) The State Government
- c) The Central Government
- d) Any local authority
- e) Orissa state Khadi & Village. Industries Board.
- f) Any other body corporate



- g) Any individual qualified under the provisions of the Orissa Co-op. Society Act and Rules.
- h) A Self Help Group
- i) A Co-op. Registered under Orissa Self Help Co-op. Act, 2001.

2. a) The members of the committee including the coopted members, if any, but excluding the members nominated or appointed under clause (ii) of sub-section (i-b) of section 28 and sub-section (i) of section 31 of the Act of the Primary Societies affiliated to this Bank, shall be deemed to be the members of this Bank, so long as they continue as members of the committee of Primary Societies.

b) The provisions under section 19 of the OCS Act shall not apply to the members of the committee of the Primary Society who shall be deemed to be members of this Bank in accordance with the provisions of section (i-a) of section 16 of the OCS Act.

3. The Bank may admit any person as a nominal member provided that a nominal member shall not be entitled to;

- a) Any share in any form or whatsoever in the assets or profit of the Bank; and
- b) To attend General Body Meeting of the Bank; and
- c) To be elected to the Committee of the Bank.

6. Admission of Member

No persons shall be admitted as a member of the Bank unless:

a) he/ she/ it has applied in writing for membership in the form laid down by the Committee of the Bank and such application is accepted by the Committee; and in case of nominal member by the Chief Executive Officer of the Bank subject to authorization to him by the committee.

b) in the case of a Society or Body corporate, the application for membership is accompanied by a resolution of the Committee or Body concerned as the case may be authorizing it to apply for such membership.

c) in case of the Self Help Group(s) the application for membership is signed by the Head of the concerned Group and accompanied by a resolution authorizing the said head of the Group for making such application and commitment for enrollment as member of the Bank by the members of concerned Self Help Group along with other information and documents as required under the Act, Rules and these Bye-laws. Any change in head of Self Help Group, shall be intimated to the Bank within 7 days of such change.

d) Every member shall subscribe at least one share.

e) Every member on admission shall pay an admission fee of Rs.50/- only and in case of transfer of share every such transfer shall pay likewise Rs.10/- only.

f) Order of rejection of any application for admission for membership unless is communicated to such person within 90 days from the date of such application with reasons thereof, such person shall be deemed to have been admitted as members with effect from the date following the date of expiration of the aforesaid period of 90 days provided, such person is duly qualified for membership of the Bank under the Act, Rules and these Bye-laws.

7. Liability of Member:

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



such member and the debts incurred by him. He will also be liable for any dues found recoverable from him subsequently.

Transfer and withdraw of Share:

8.

1)

Transfer by a member of his share or interest in the Bank shall not be valid unless-

- a) the member has held such share or interest for not less than one year;
- b) the transfer is made to a member of the bank; and
- c) the transfer is approved by the Committee of the Bank;

Provided that when a member ceases to be such member of the Bank by reasons of resignation or expulsion or by reason of incurring any disqualification under the Act, Rules and these bye-laws, the Bank may return the share or the interest in the share capital held by such member on payment of the face value of such share or interest.

2)

Every instrument of transfer shall be left at the office or the Bank for registration, accompanied by the certificate of the shares to be transferred and the requisite transfer fee and such other evidence as the Bank may require to prove the title of the transfer of his right to transfer the shares.

3)

All registered instrument of the transfer shall be retained by the Bank but any instrument of transfer which the Committee may decline to register shall on demand, be returned to the person depositing the same and the transfer fee paid be refunded to him.

9.

Expulsion of Member:

A member who acts adversely or whose continuance is considered detrimental or prejudicial to the interest of the Bank may be removed as envisaged u/s 21A of the Act, by a resolution by two thirds majority of the members present at a meeting of the General Body either:-

- a) On its own motion; or
- b) On requisition from at least one tenth of the total members thereof; or
- c) the Committee;

after giving an opportunity to the concerned member to represent his case before the General Body in the manner and following the procedure laid down under rule 22A of the Rules.

10.

Cesser From Membership:

A member of the Bank shall cease to be such member on-

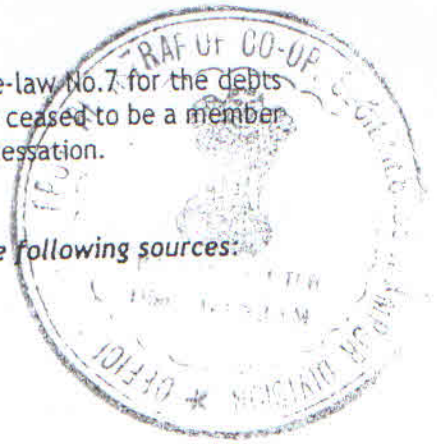
- a) his expulsion;
- b) Ceasing to hold any share of the Bank;
- c) liquidation of the member society; or dissolution of the member body corporate, as the case may be; or
- d) Incurring any disqualification for membership of the Bank under the Act, Rules and these bye-laws, with effect from the date of incurring such disqualification.

11.

Liability of past member:



A past member shall be liable as provided in bye-law No.7 for the debts of the Bank as they existed on the date when he ceased to be a member for a period of two years from the date of such cessation.



12.

Funds:

The Bank will ordinarily obtain funds from the following sources:

- i) Subscription of shares;
- ii) Deposits;
- iii) Borrowings;
- iv) Contributions from Government for any specified object;
- v) Entrance fees and miscellaneous receipts;
- vi) Contributions towards cost of supervisions and collection ;
- vii) Donation; and
- viii) Margin from non-fund business

13.

Borrowings:

The Bank may borrow money by way of deposits and loans for such period and on such terms as fixed by the Committee from time to time up to 10(ten) times of the paid up share capital and all the reserve funds, or more with the permission of the Registrar.

14.

Deposits:

The Bank will receive deposits as per the Banking Regulation Act, 1935 applicable to the Cooperative Society (Bank).

15.

Execution of Bonds:

All Bonds for borrowings by the Bank and all documents creating charges or obligation on the Bank, shall be executed by the President, one member of the Committee and the Chief Executive Officer of the Bank by whatsoever designation he is called.

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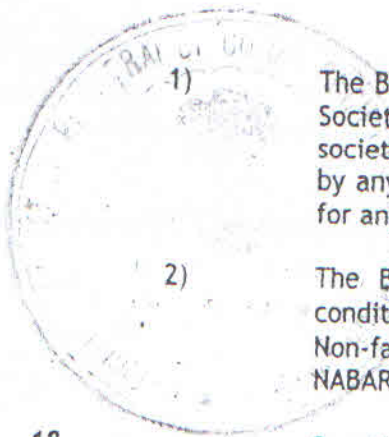
Investment of funds:

- 1) Funds of the Bank shall be utilized primarily for granting loan to the members and nominal members / depositors on such terms and conditions and for such purposes as to be decided by the Committee of the Bank from time to time and subject to the provision of the Act, Rules and directives/ instructions, if any, in this regard of the NABARD/ OSCBank/ Registrar.
- 2) The Bank may also invest its funds in the manner laid down under the provision of the Act and Rules framed thereunder.
- 3) It shall also be competent for the Bank to act as an agent for disbursement of any type of loan obtained from the Government or any other institution on such terms and conditions as may be agreed upon by the Committee of the Bank with the approval of the Registrar.

17.

Maximum Limit of Loan:





1) The Bank shall not lend to any member society any sum which with its other debts will exceed the maximum borrowing power of the society as fixed in the bye-laws of that society or fixed by the Registrar by any general order for any class of societies or by any specific order for any society.

2) The Bank may lend loan to the extent and with such terms and conditions to a nominal member or any individual member under the Non-farm, Non-agriculture sector, as per the approved schemes of NABARD/ RBI/ OSC Bank and Committee of the Bank.

18.

Sanction of Loan:

i) It shall be the duty of the Committee or such Sub-committee/ Secretary or the Branch Manager to which/ whom powers have been delegated to the committee to deal with any application for loans received from members, to obtain full information, if necessary from the Registrar regarding such Societies and to see that loans are granted to them with due care and caution.

All such actions are to be placed before the Committee for ratification.

ii) The Committee or Sub-committee subject to the norms if any, fixed by the Committee, shall settle all terms with regards to the period of repayment of loans granted by them, the installment or repayment and the rate of interest etc. in conformity with the instructions issued by the Reserve Bank of India, or NABARD and the Registrar.

19.

Rate of Interest on Loan:

The rate of interest shall be charged on loans as decided by the Committee of the Bank subject to the guidelines if any, issued by the RBI/ NABARD/ OSC Bank or the higher financing agency in this regard.

20.

Repayment of Loan:

1) It shall be open to the borrower to repay a loan wholly or partly, before the due date according to its/his/her convenience.

2) If the due date for repayment of loan or installment of a loan falls on a holiday the next following working day shall be deemed to be the due date for repayment of such loan or installment of loan; and the borrower shall be treated to have committed default if he fails to pay the loan or installment of the loan on such deemed due date.

21.

Extension of Time for Repayment:

The Committee of the Bank shall have the power to consider any application of the borrower for extension of the period of loan or installment thereof after obtaining consent of the financing Bank to which the Bank is indebted and approval of the Registrar which in no case should be anticipated.

22.

General Body:

1) The General Body of members shall be the final authority in the



administration of the Bank but it shall not effect any powers of the Committee of the Bank conferred on it under the Act, Rules and these bye-laws.

- 2) (a) The General Body of the Bank shall consist of:-
- i) President and Vice President or representative of member Society;
 - ii) Head of the member/ Self Help Group;
 - iii) Head of local authorities and other body corporates who are members of the Bank,
 - iv) Individual members;
 - v) Government nominee,
- (b) The Bank shall have a representative Smaller General Body which shall consist of Government nominee and elected representatives of the individual and non-individual members of the Bank so however that the total number of members of the representative General Body shall in no case, shall be less than 50(fifty) and more than 100(one hundred). Such representative Smaller General Body shall exercise all the powers of the General Body except the powers of electing office bearers.
- (c) The number of representatives to be elected by the individual and non-individual members shall bear such proportions to their total members respectively as may be decided by the Committee so as to ensure equitable representation of all class of members of the Bank.
- (d) The Chief Executive Officer of the Bank shall hold elections and constitute the said representative Small General Body.
- (e) The tenure of the representative General Body shall be such as may be decided by the Committee.
- (f) The procedure laid down in the OCS (Elections to the Committees) Rules 1992 relating to the election of the members or the Committee shall mutatis mutandis apply to the election of representative of the Smaller General Body.
- (g) For the purpose of the General Body wherever occurs in the bye-laws except in relation to election of the office bearers to the Committee, shall be construed as Representative smaller General Body after its constitution.

23.

Meeting of General Body:

- 1) The meeting of the General Body of members of the Bank shall be held at least once in every cooperative year preferably within three months of receipt of the Annual Audit Report of the Bank.
- 2) Subject to the provision of the Act, Rules and Bye-laws the following matters shall be dealt with by the General Body:-
 - a) Approval of the programme of activities of the Society and Annual and Supplementary budgets;
 - b) Review of the programme for the year and its implementation;



- e) Matters concerning the election of office-bearers;
- d) Review of loans advanced to office-bearers and their near relatives or family members and direction for recovery of such loans;
- e) Consideration of reports of Audit, Inspection, and Inquiry, Annual Reports including the Annual Report of the Auditor General, and directives of the Government, if any, and action taken by the Committee thereon;
- f) Review of the Reports of the Committee, Sub-Committees and the Chief Executive;
- g) Creation of Reserve and other funds and review of utilization thereof;
- h) Disposal of the net profits and review thereof;
- i) Review of operational deficits, if any, and allocation of liability on members in proportion to their transactions;
- j) Membership of the Bank in other Societies.
- k) Promotion of Subsidiary Organizations and review of Annual Reports and Accounts of Subsidiary organizations, if any.
- l) Amendments of the Bye-Laws;
- m) Formulation of code of conduct for the members, office bearers, officers and other employees of the Bank;
- n) Liquidation of the Bank;
- o) Acquisition of property and its disposal, in the manner prescribed;
- p) Fixation of remuneration and other facilities to be allowed to the office bearers in connection with duties performed and meetings attended in their capacity as such as prescribed by the Registrar;
- q) Fixation of the date of the next meeting of the General Body;
- q-1) Admission of members to the Bank when the committee of the society is suspended under sub-section (7) of Section 32;
- r) Any other matter as may be placed in accordance with the provisions of this act, Rules or the Bye-Laws.
- 3) The meeting of the General Body members shall be convened by the President or in his absence by the Vice President or by the Chief Executive Officer under the authority of the President or the Vice President as the case may be.
- 4) The Committee shall convene special meeting of the General Body members-
- a) On receipt of requisition from at least one fourth of the total number of members of the General Body stating the subjects to be discussed in such meeting;
- b) On receipt of requisition from the Registrar, Auditor General of C.S. or any authority competent under the Act to make such requisition; or the Financing Bank of the Bank within the period specified therein.



- c) No business other than that specified in such requisition shall be discussed in such meeting.

5) Notice of the meeting of the General Body, stating the place, date, and time of the meeting together with a statement of business to be transacted at the meeting shall be given to the General Body members of the Bank seven clear days before the date of meeting either by-

- a) Publication of the same in a daily Oriya Newspaper having wide circulation in the area of operation of the Bank; or
b) By post.

6) Absence at a meeting due to non-receipt of the notice by any member shall not invalidate the proceedings of that meeting.

7) Proceedings of the meeting shall be recorded by the Chief Executive Officer of the Bank in the minute book kept for the purpose duly certified by the President under his hand and seal.

24.

Quorum in the Meeting of the General Body:

1) The quorum of a meeting of the General Body shall be 30 or one fourth of the total number of members of the General Body whichever is less.

2) If at the hour fixed for the meeting of the General Body there is no quorum, the President shall, if the meeting has been called on requisition of members of the General Body dissolve it and if otherwise convened, postpone it to a date not less than seven days and not more than fifteen days later, and the business transactions at such postponed meeting shall be same as was proposed for the original meeting. At such postponed meeting if a quorum is still not forthcoming resolutions may be carried by a majority of three fourth of the members present at such General Body meeting.

3) President, when present and in his absence the Vice President, shall preside over the meeting of the General Body. In absence of both the members present at such meeting may select a Chairman from among them exclusively to preside over the said meeting. In the event of equality of votes the Chairman shall have a second or casting of votes.

25.

Exercise of Votes:

1) Every member of the General Body shall have only one vote in the affairs of the Bank, and the members exercise such votes in person and no member shall be permitted to vote by proxy; provided that such vote shall be exercised-

(a) *In case the member is a society it shall be represented through its-*

i) President; or

ii) Vice President in case there is no President or the President is unable to exercise the vote; or

iii) Representative in case there is no President or Vice President or none of them is able to exercise the vote.

(b) In case the member is a local authority or body corporate or Self Help Group through head of such body or Group as the case may be;

(c) The Central or State Government through their nominee in the Committee.

(d) A member society, local authority, Body Corporate or the Self Help Group shall intimate to the Chief Executive Officer of the Bank the





name of the delegate authorized representative who shall exercise on its behalf at least three(3) days prior to the date of the meeting of the General Body members, with full address and where vote is to be exercised at an election of the members of the Committee of the Bank at least fifty days prior to the date fixed for such election with full address and category/ class and sub-class.

(e) A Primary Society which is affiliated to the Bank shall intimate to the Chief Executive Officer of the Bank the name of all the elected and co-opted members of the Committee of such affiliated Primary Society, soon after election of the President and cooption if any, along with their address and their class of membership. The Chief Executive Officer of the member primary society shall also intimate the Bank from time to time about their cessation from membership of the Committee, if any, caused.

(f) All question in the General Body shall be decided by majority of votes of the members present except in case of amendment of bye-laws which shall be decided by a resolution passed by not less than two thirds of the members present at a meeting of the General Body at which quorum shall be present. No such resolution shall be valid unless the due notice along with the text of the proposed amendment of the bye-laws is given along with the existing bye-laws, if any.

26.

Managing Committee:

- 1) The Management of the Bank shall vest in a Committee consisting of 15(fifteen) elected members including President and Vice President besides the Chief Executive Officer of the Bank appointed u/s 28(3-b)(1) and the person nominated by the Govt. u/s 31(1) of the Act.
- 2) The 15(fifteen) members to be elected to the Committee of the Bank, constituting of members belonging to SC/ST/OBC/ women on the proportionate representative as per the Act and the Rules framed there under. The carving out of constituencies shall also be subject to the Act and the Rules framed thereunder.
- 3) There shall be a President and a Vice President of the Committee of the Bank who shall have such powers, duties and responsibilities as provided under the Rules and these bye-laws.
- 4) In case the President of the Committee of the Bank elected, is not a woman, the office of Vice President shall be reserved for woman.
- 5) Election of the members, President and Vice President of the Committee shall be held in accordance with the provision of the Act, Rules, bye laws and directives of the Chief Electoral Officer from time to time in that regard.
- 6) In the event of the seats in the Committee reserved for Woman, SC, ST and other backward class remaining unfulfilled in the election, the Committee of the Bank shall co-opt the required number of such categories of members from among the members of the Electoral College and for the purpose of making such cooption the vacancies in the unfilled seats reserved for the said category, shall not invalidate the constitution or functioning of the Committee, if otherwise it would be having a quorum.
- 7) The term of office of every such co-opted member shall be co-terminus with the other members of the Committee.

Term of the Committee:

- 1) The term of the Committee shall be five years from the date of assumption of office by the Committee. The date of election of the

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31.

President shall be deemed to be the date of assumption of office by the Committee.

- 2) The Chief Executive Officer of the Bank shall intimate the due date of expiry of term of office of the outgoing Committee to the Election Officer / DRCS at least three months prior to the said date.

28.

Vacancy in the Committee:

When any vacancy in the office of the member or President or Vice President of the Committee arises by reasons of death, resignation or removal of any member, President or the Vice President or otherwise such vacancy:

- (a) Shall be filled up in the same manner as it was originally filled up; and
- (b) The Chief Executive Officer of the Bank shall intimate to the Election Officer or the authority having power to fill up the vacancy within fifteen days from the date of its occurrence.

29.

Professionals in the Committee:

- 1) The Bank shall have at least three(3) members in its Committee having special knowledge or experience in the field of accountancy, law, banking management, agriculture or rural economy and if such category of persons do not get elected the Committee of the Bank may co-opt persons having such knowledge or experience as aforesaid who shall have the voting right.

- 2) When any person has been elected or nominated as a member of the Committee under the aforesaid clause (1) without having the requisite qualification mentioned therein, such person shall in consultation with the NABARD be removed from the office after giving him/her a reasonable opportunity of being heard.

30.

Ineligibility for membership in the Committee:

- 1) Subject to the provisions of section 19 of the Act, no member either as an individual or as representative of a member society or body corporate shall be eligible for being chosen or for continuing as a member, President or Vice President of the Committee of the Bank, if such member incurs or has incurred any of the disqualifications provided under the Act, Rules and these Bye-laws for being chosen or continuing in the Committee.

- 2) A representative of a member society or body corporate or SHG shall not be eligible for being chosen or for continuing as a member, President or Vice President of the Committee of the Bank if the society, Body Corporate or the SH Group he/she represents:-

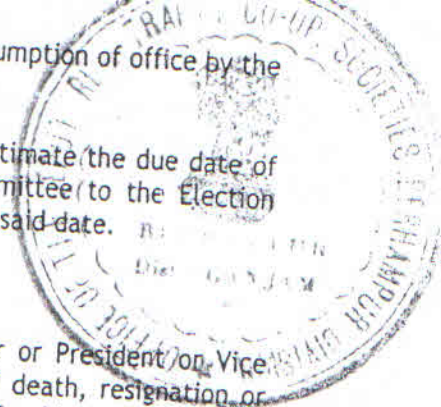
- a) has failed to pay any amount due in cash or kind to the Bank, its financing Bank or any other society or body corporate on account of any loan or otherwise within 3(three) months from the date of notice by the Bank, the Financing Bank, Society concerned for payment of such dues.

- b) Ceased from the membership of the Bank; or

- c) Ordered to be wound up or dissolved.

Meeting of the Committee:

31.



1) The meeting of the Committee shall be called by:-

- a) The President
- b) The Chief Executive Officer under the authority of the President;
- c) The Chief Executive Officer on the requisition from-
 - (i) The Registrar or the person authorized by him;
 - (ii) The Financing Bank of the Bank;
 - (iii) Two thirds of the elected members of the Committee.

Within the time specified in such requisition.

2) The Committee shall meet as often as may be considered necessary for transaction of business of the Bank but at least once in a quarter.

3) Seven clear days notice of every meeting shall ordinarily be given to each member of the Committee specifying therein the date, place and hour of the meeting together with a statement of the business to be transacted provided that any urgent matter though not included in the agenda accompanying the notice, may be brought up and considered with the majority of not less than two thirds of the members present in the meeting.

4) In case of urgency, where there may not be sufficient time to convene a meeting, the business may be transacted by circulating papers to the member of the Committee, Executive Committee, Loan Committee or any other Sub-committee appointed u/s 28(1)(a)(xi) of the Act as the case may be, for recording their respective opinion in writing thereon agreeing or disagreeing with the draft resolution. Any decision arrived at by such circulation shall be placed at the next meeting of the Committee or Sub-committees aforesaid for information or ratification as the case may be. Should any difference of opinion arise among the members in the course of such circulation, the matter shall not be decided by such circulation but shall be placed before a meeting of the Committee or Sub-committee.

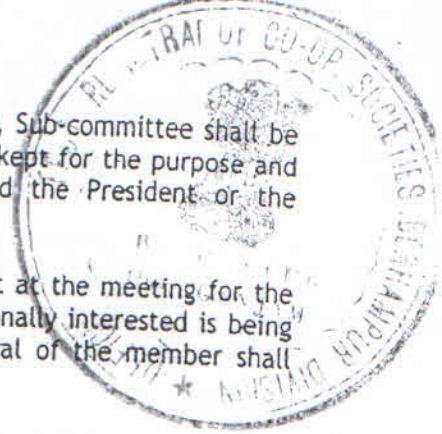
5) In case no reply is received from the members within the period specified in such circulation notice, it shall be deemed to have been agreed with the draft resolution circulated.

6) One third of the total number of the members of the Committee shall form the quorum.

7) In the absence of the President, the Vice President shall preside and in the absence of both, the member present will elect one of them as Chairman of the meeting who shall preside over that particular meeting.

8) All question before the Committee shall be decided by a majority of votes and should there be equality of votes, the President or the presiding member shall have a casting vote. If there is any difference of opinion between elected or nominated members of the Committee, the matter shall be referred by the Committee to the State Government whose decision thereon, shall be final and acted upon as if the same were a decision taken by the Committee.



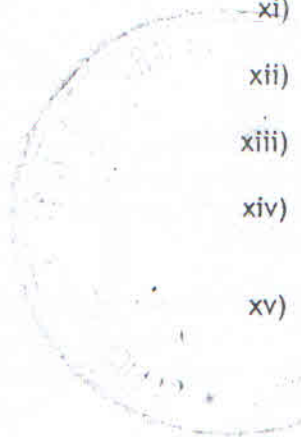
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- 9) Proceeding of the meetings of the Committee, Sub-committee shall be recorded in the respective Minute Book to be kept for the purpose and shall be signed by the member present and the President or the presiding member as the case may be.
- 10) No member of the Committee shall be present at the meeting for the duration when any matter in which he is personally interested is being discussed. However, such temporary withdrawal of the member shall not effect the quorum of the meeting.

32.

Powers and duties of the Committee:

- 1) The Management of the Bank shall exercise following powers and perform duties as follows:
- (a) The power to-
 - i) Admit members and dispose of applications for shares;
 - ii) Interpret the organizational objectives and set specific goals to be achieved towards those objectives;
 - iii) Prepare annual and supplementary budgets and get approval of the General Body thereto;
 - iv) Raise and invest funds in accordance with the Bye-laws.
 - v) Sanction all expenditure above the prescribed level, and the plan of capital development for the coming year or years;
 - vi) Enforce any debt or demand of the society and institute, defend or compromise legal proceeding for or against the Bank;
 - vii) Assess the existing manpower resources and future requirements in the context of changes of that might have taken place and the measures to be taken to ensure availability the required resources consider and remove constraints in the process or progress of manpower planning at least once at the beginning of every year; by giving due regard and observing guidelines issued by the Registrar under Sub-section (2) of 33-A of OCS Act, 1962.
 - viii) Appoint officers or other staff to conduct the business of the Bank and define inter alia their duties, service conditions, leave concessions disciplinary matters and other service condition subject to the provision in this regard in the bye-laws and the guidelines issued by the Registrar under Sub-Section(2) of Section 33-A of the Act in this regard, in consultation with the NABARD.
 - ix) Arrange for the education and training of members and employees and review the programmes and the progress, relating thereto, at least once at the beginning of every year;
 - x) Dispose of applications for loans in the case of Credit of the Reserve Bank of India and the National bank for Agriculture and Rural Development and determine securities to be taken for such loans;



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- xi) Appoint sub-committees as may be deemed necessary;
 - xii) Make periodical appraisal of its operations;
 - xiii) Acquire, hold and dispose, in the prescribed manner of property; and
 - xiv) Take such other measures or do such other acts as may be prescribed or required under this Act, Rules and Bye-laws;
 - xv) Decide its own internal control system such as internal inspection, delegation of authority, safe custody of valuables, fraud prevention measures depending upon its scale of business and appoint Auditor for Audit of the Accounts and determine the payment to be made for such Audit.

(b) the duty of-

- (i) Observing, in all affairs, the provisions of this Act, Rules and Bye-laws;
- (ii) *Causing-*
 - a) Proper receipt and disbursement of money of the society and maintenance of the accounts, assets and liabilities of the society;
 - b) Preparation of Annual Report of the society for every year;
 - c) Preparation of Annual Returns prescribed by the Registrar and the Auditor General;
 - d) Preparation of the statement of accounts required at audit and placement of the same before the auditors;
 - e) Preparation of all other statements and returns and submission of the same to the Registrar and the Auditor General in such forms as they may direct;
 - f) Maintenance of the accounts of the Society regularly in proper Books.
 - g) Maintenance of the register of members up to date.
- (iii) Formulating recommendation for appropriation of the net profits declared as distributable under the provisions of this Act and Rules and submitting the same to the General Body;
- iv) Facilitating the inspections, inquiries and audits, under this Act and considering the Audit, Inspection and Inquiry Reports received from the concerned authorities and furnishing compliance thereto in accordance with the provisions of this Act and Rules;
- v) Convening the meeting and special meeting of the General Body in time;
- vi) Watching that the loans and advances are utilized for the purposes for which they are meant and also that they are repaid punctually;
- vii) Examining and taking prompt action in cases of all arrears and defaults in repayment of loans and advances;
- viii) Liaisoning with the members in all matters of the Society and ensuring the observance of the Cooperative principles;
- ix) Making arrangements for holding elections in time; and



- x) Performing such other functions as may be entrusted to it by the General Body or required by or under this Act, Rules and the Bye-laws]

33.

Executive Committee:

- 1) Subject to control of the Committee, the Executive Management of the Bank shall vest in an Executive Committee consisting of 9(nine) members as below:
 - i) President of the Committee of the Bank
 - ii) Vice President of the Committee of the Bank
 - iii) Deputy Registrar of Cooperative Societies of the concerned Division
 - iv) Four members to be elected by the Committee of the Bank from among its other members.
 - v) Representative of the OSC Bank
 - vi) Chief Executive Officer of the Bank- ex-officio.
- 2) The Executive Committee shall deal with the matters as may be or are delegated to it by the Committee of the Bank by specific resolution.
- 3) The elected members of the Executive Committee shall hold office during the pleasure of the Committee of the Bank.
- 4) An elected member of the Executive Committee shall cease to hold office if he/ she absents himself/ herself from three consecutive meetings of the Executive Committee. He/She may be reinstated in office by the Committee of the Bank on sufficient cause shown for such absence.
- 5) Ordinarily, seven clear days notice shall be given to the members of the Executive Committee before the scheduled date of its meeting of the Executive Committee.
- 6) The Presiding member shall have an ordinary vote and a casting vote in the event of equality of votes.
- 7) One third of the total number of members of the Executive Committee will form the quorum.

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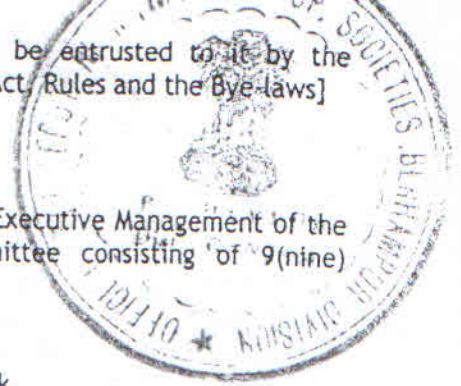
Audit Committee

An Audit Committee to be formed to ensure internal and external audit of the bank as per the provisions of the Act, Rules, the Byelaws and the directives issued by the Registrar in this context from time to time.

35.

Loan Committee

- 1) To expedite disposal of loan applications, the Committee of the Bank may form a Loan Committee consisting of 5(five) members i.e.
 - i) President of the Committee of the Bank,
 - ii) Three other members to be elected by and from the members the Committee.
 - iii) The Chief Executive Officer of the Bank ex-officio.
- 2) The Loan Committee shall deal with matters as may be delegated to it by the Committee of the Bank by specific resolution.
- 3) Three clear days notice shall be given to the members for holding meeting.
- 4) 3(three) members shall form the quorum for the meeting.
- 5) An elected member shall cease to hold office if he absents himself from 2(two) consecutive meetings.



- 6) The Presiding member shall have an ordinary vote and a casting vote should there be an equality of votes.
- 7) The elected members shall hold office during the pleasure of the Committee of the Bank.
- 8) In case of urgency, when there may not be sufficient time to convene a meeting, the business may be transacted by circulating papers to the members of the Loan Committee. Any decision arrived at by such circulation, shall be placed in the next meeting of the Loan Committee for ratification.

36.

Appointment Committee:

- 1) There shall be an Appointment Committee consisting of -
 - a) President of the Committee of the Bank;
 - b) Divisional DRCS;
 - c) Two members of the Committee elected by it;
 - d) Chief Executive Officer of the Bank.
- 2) The Appointment Committee shall have power to make all appointments, promotion, confirmation, to dismiss or discharge any member of the staff except the grade of employee/ staff in respect of which the Secretary has been empowered by the Committee to exercise such powers subject to approval of Registrar.
- 3) An appeal against an order of the Appointment Committee shall lie to the Committee of the Bank. There shall be no appeal against an order of censure or awarding of black marks. An appeal shall lie to the President against any disciplinary order of the Secretary and the order passed by the President on such appeal shall be final.
- 4) Constitution of the Appointment Committee, exercise of powers aforesaid by the Appointment Committee and the Secretary shall be subject to the guidelines or rules issued or framed u/s 33-A of the Act and in the case any conflict between the two, the guidelines / Rules issued or framed by the Registrar u/s 33-A shall prevail.

37.

Office Bearers and Officers:

(a) President:

- i) Subject to the provision of the Act, Rules and these bye-laws, President of the committee of the bank shall exercise all the power delegated to him by the Committee.
- ii) He shall preside over the meeting of the General Body, Committee and other sub-Committees formed under these bye-laws.
- iii) President of the Committee shall be head of the Bank; and exercise general control and supervision over the affairs and work of the officers of the Bank subject to his powers under the Act, Rules and Bye-laws.
- iv) He shall be competent to take decision on behalf of the Committee in any urgent matter placed before him by the CEO which requires to be attended to immediately in the interest of the Bank and members and any decision so taken shall be placed before the Committee for ratification.
- v) He shall be responsible foremost among the members of the Committee for the overall situations including development and progress of the Bank and its members, the implementation of the policy decisions of the Committee and due observance by the Bank of the provisions of the



Act, Rules, these bye-laws and lawful instruction from any competent authority/ from the competent authorities.

(b) **Vice President:**

In the event of any vacancy in the office of President of the committee either by resignation or otherwise or when the President is disable to discharge his duties, the Vice President shall discharge all the duties of the President until another President is elected, or the President becomes able to discharge his duties as the case may be.

(c) **Secretary:**

1) The Secretary shall be the Chief Executive Officer of the Bank. He shall be approved by the committee of the bank subject to approval of the Registrar, provided that the qualification of the Chief Executive Officer shall be such as may be stipulated by the NABARD in consultation with the Reserve Bank of India.

2) The Secretary (Chief Executive Officer) shall be deemed to be a member of the Committee of the Bank. Subject to notification, if any, made u/s 28(3-b) (1) of the Act by the Government.

3) Subject to overall control of the Committee, the Secretary shall-

(a) be the Chief Executive Officer of the Bank who shall be appointed on whole time basis by the Committee of Management and shall have necessary qualification as stipulated by the National bank in consultation with the Reserve Bank of India. He shall have following powers and duties to be exercised under overall control of the Committee

i) have overall responsible for making arrangement for safe custody of all the properties and cash of the Bank.

ii) be the Officer to sue or to be sued on behalf of the Bank all Bonds in favour of the Bank shall be in his name and all Bonds by the Bank shall be executed by him when authorized to do so by the Committee.

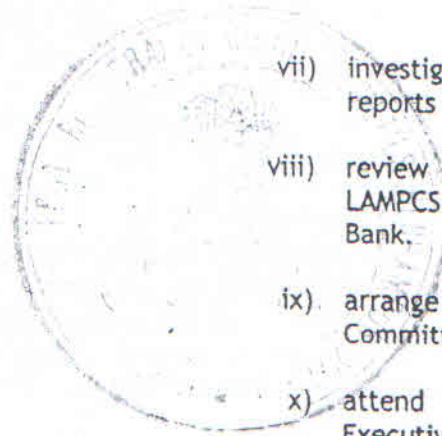
iii) sign documents for and on behalf of the Bank subject to approval of the President, he can authorize the Deputy Secretary/ Assistant Secretary/ managers/ Zonal Officers/ Branch Mangers of the Bank or any officer of the Bank of equivalent rank for the purpose of executing Bonds and Mortgage Deeds.

iv) have power for on and behalf of the Bank to operate the Bank's Accounts to buy/ sell/ pledge/ endorse and transfer promissory notes, Government and other securities standing in the name or held by the Bank, to sign endorse and negotiate Cheques and other negotiable instruments and to sign other documents connected with the business of the Bank. One or more Officers of the Bank on the recommendation by the Secretary may be given authorization by the Committee to do the needful, singly or jointly.

v) have also power subject to the policy framed by the Committee to accept deposits of all kinds and to carry on general Banking transactions and authorize other subordinate officers for the purpose.

vi) dispose of such loan applications which he is authorized to do so by the Committee.



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- vii) investigate into all other loan applications and place them with reports before the Loan Committee for its consideration.
 - viii) review the progress made in collection and overdues from PACS LAMPCS and other Credit Societies including Societies affiliated to the Bank.
 - ix) arrange for holding of meetings of all Sub-Committees, Managing Committee and General Body in consultation with the President.
 - x) attend every meeting of the Managing Committee, General Body, Executive Committee, Loan Sub-committee and other adhoc and standing Committees formed by the Managing Committee.
 - xi) have power to call for the conference of Officers and other staff of the Bank and give such direction for due performance of duties.
 - xii) arrange to maintain such accounts and registers as are prescribed by the Act, Rules framed there under and the Bye-laws or as directed by the Registrar, OSCB, NABARD and RBI as required under B.R.Act.
 - xiii) arrange for correct preparation and timely submission of periodical statements and returns as required by the Registrar, State Government, OSCB, NABARD and RBI etc.
 - xiv) manage day to day business of the Bank
 - xv) see that the Audit Report is placed before the Managing Committee for consideration in time as per statute and to take further steps in regard to rectification and submission of audit rectification report to the Auditor General of Cooperative Societies, Odisha and other quarters as required under law.
 - xvi) have powers to pay house taxes and other tax to Government or local bodies and incur expenditure within the budgetary limit approved by Committee of Management for smooth conduct of business of the Central Bank.
 - xvii) intimate the Election Officer the due date of expiry of term of office of existing Committee at least 3(three) months prior to such date, and assist the Election Officer in conducting election under provision of Orissa Cooperative Societies (Elections to the Committees) Rules, 1991 as amended.
 - xviii) ensure due observance by the officers and staff of the Bank the provision of the Act, Rules and these bye-laws.
 - xix) have power to transfer and post the staff and officers of the Bank and to take disciplinary action against them as and when necessary subject to Staff Service Rules framed u/s 33-A of the Act and Policy decision, if any of the Committee in this regard.
 - xx) assist the Committee in formulation of policies, objectives and planning etc.
 - xxi) delegate any office duties and other functions in writing to other Senior Officers for smooth and efficient day to day working of the Bank with approval of the President.



xxii) do all that is necessary for carrying on generally the day to day work of the Central Bank.

- 4) If the period of absence of the Secretary exceeds 30 days the Committee shall make necessary arrangements for filling up such temporary vacancy of the Secretary obtaining approval of RCS, Odisha.
- 5) In the event of temporary absence of the Secretary continuously for a period exceeding 30(thirty) days for whatsoever reason or ground the Committee shall make necessary arrangements for filling up such temporary vacancy in the office of Secretary with the approval of the Registrar.
- 6) The Committee may entrust or confer such powers and duties of the Secretary other than his statutory powers, as it may deem fit to any officer of the Bank for smooth and efficient day to day functioning of the Bank.
- 7) It shall be the duty and responsibility of the Secretary to place before every meeting of the Committee,
 - i) All application for membership and loans received and remaining undisposed of till the date of the meeting.
 - ii) A statement of the persons against whom any debt or demand of the Bank is required to be enforced or legal proceedings instituted or compromised;
 - iii) All notices received in any legal proceedings against the Bank along with a statement of action taken in pursuance thereof since the date of the last meeting;
 - iv) All audit, inspection enquiry reports, requisition and directives received since the date of the last meeting from any authority under the Act along with a statement of action taken for compliance thereof.
 - v) Such statement, reports, returns and information as may be required by the Committee relating to matters in respect of which the Committee has power to exercise or duty to perform under the provisions of the Act, Rules and these Bye-laws.

38.

Annual statement and Audit:

- 1) The Bank shall prepare annually a statement in such form as may be prescribed under the Act, the Banking Regulation Act, RBI Act, NABARD, and required by the Registrar from time to time, and submit the same to the concerned quarters in time.
- 2) The statement of final accounts prepared by the Bank be placed before the Auditor General of C.S. or person authorized by him for audit and issue of Audit Certificate by the Auditor General, Coop. Societies, Odisha.

39.

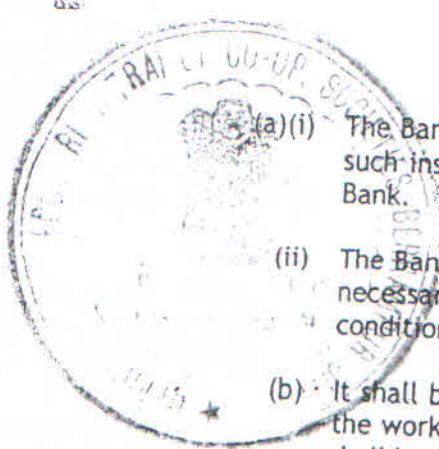
Budget:

The annual budget of the Bank for a cooperative year (1st April to 31st March) shall be prepared by the Committee consolidating the Budget prepared for each Branch and placed in the General Body meeting after prior concurrence of the Orissa State Cooperative Bank before commencement of the year.

40.

Inspection and Supervision:





- (a)(i) The Bank shall have the right to inspect the Societies affiliated to it and such inspection may be done by deputing to any Officer of the Central Bank.
- (ii) The Bank shall have power to call for such statements and return as are necessary from societies affiliated to it, to ascertain the financial conditions of such societies for the purpose of such inspection.
- (b) It shall be the duty of the Committee to develop, assist and coordinate the work of Cooperative Societies affiliated to it and for this purpose it shall have the following powers.

- i) To inspect and ascertain by enquiry if the Bye-laws are being properly observed by the Societies.
- ii) To obtain and review periodical reports on the working of such Societies.
- iii) To call for list of defaulting borrowers in Societies affiliated to it and to direct the Societies concerned to take proper action and to take steps to see that such orders are carried out.
- iv) To make subsidiary rules for regulating the work or supervision.
- v) To direct to take such legal action for recovery of its or the Central Banks dues.

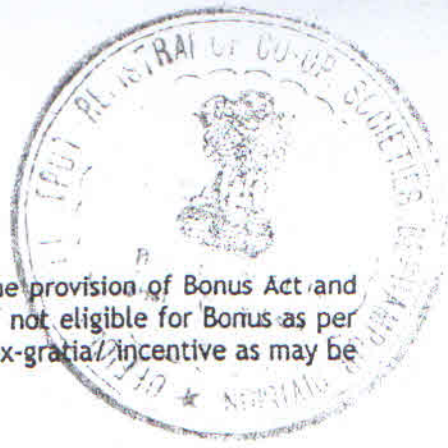
41.

- vi) To direct for production of any Books or Records of the Society
- Profit:**
- 1) The annual net profit of the Bank declared distributable by the Auditor General, Cooperative Societies shall be disposed of in the following manner.
- i) Not less than 25% shall be carried to the Reserve Fund.
 - ii) 15 (Fifteen)% shall be carried to the Agricultural Credit Stabilization Fund
 - iii) Not exceeding 25% of the net profit to the "Govt. Share Capital Redemption Fund" for redeeming of the share capital of the Govt. with the Bank till such share capital is fully redeemed or the amount in the said fund becomes equal to the amount of Govt. Share Capital with the bank whichever is earlier.
 - iv) Out of the remainder a dividend may be paid up to a maximum of 12% per annum to members proportionately to the amount of paid up share capital held during the year subject to norms stipulated by the NABARD and Registrar.

Provided that if the member or in the case of deceased member or executors of a liquidated Society fails to receive the dividend due to them after issue of three notices from the Central Bank within a period of three years, on completion of the third year the dividend due to such member shall forfeit and the forfeited amount shall be credited to Reserve Fund of the Central Bank.

- v) The Balance may be allotted to any or all of the followings as decided upon by the General Body:-
- a) Reserve for depreciation on investment



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- b) Dividend equalization fund
 - c) Building Fund
 - d) Bonus to employees in accordance with the provision of Bonus Act and the Orissa Cooperative Societies Act, Staff not eligible for Bonus as per payment of Bonus Act, 1965 may be paid ex-gratia/incentive as may be declared by the Management.
 - e) Gratuity Fund
 - f) Charitable Fund
 - g) Not exceeding 10% of the net distributable profit of the Bank to the Cooperative Development Fund of the Bank to be utilized as per subsidiary Rules to be framed by the Committee of the Bank.
 - h) Staff Welfare Fund not exceeding Rs.2.00 lakh per annum out of the distributable profit for the purpose of providing financial assistance in accordance with rules framed by the Bank.

Un-appropriated balance, if any, shall be added to the Reserve Fund

2)

As Agricultural Credit Stabilization Funds constituted by the Bank shall be administered in accordance with the Rules framed and approved by the State Government/ Registrar, Coop. Societies, Odisha.

42.

Reserve Fund:

The Reserve Fund shall belong to the Bank as a whole. No member can claim as share in it. It shall be invested in any of the securities specified in Section 20 of the Indian Trust Act, 1882 (ii of 1882) and shall not be drawn up except with the consent of the Registrar.

43.

Redressal of NPA Loans and Bad Debts:

- a) The Bank can formulate One Time Settlement (OTS) Scheme for recovery of NPA loan from the affiliated Societies and individuals as the case may be as per guideline fixed by the Committee subject to the prior approval of the AGCS/ Government/ RCS (O).
- b) If any sum belonging to the Bank is either stolen or otherwise lost and found irrecoverable or if any loan due to the Central Bank is found otherwise irrecoverable either wholly or in part it shall be open to the General Body to write off such amounts against such sources or funds subject to approval of the Auditor General of Cooperative Societies.

44.

Miscellaneous:

- a) No amendment of these Bye-laws shall be made except at a meeting of the General Body and in accordance with Rules framed under the Act. The amendment shall not take effect until it is registered by the registering authority.
- b) All Disputes touching the business of the Central Bank shall be disposed of in the manner prescribed in the Acts and Rules framed and orders



- issued there under.
- c) All notices of meeting and all other notices shall be deemed sufficient and proper if left or posted to the address given by the members, depositors, employees and other constituents of the Central Bank, it being their duty to keep the Bank informed of any change of address.

These bye-laws shall be read and construed according to the provision of the Act, Rules and orders issued there under. If any provision of these bye-laws is found not in consonance with the Act, and Rules and orders aforesaid, it shall be deemed to be ineffective. If the bye-laws of any affiliated Society are in conflict with these bye-laws, the bye-laws of the Bank shall prevail.



[Signature]
21/7/13
Secretary
A.C.C. BANK LTD.
ASKA (Ganjam)

[Signature]
Management in-charge
Aska Co-op. Central Bank Ltd. Aska

CERTIFICATE
Name of Society Aska coop.
(Central Bank Ltd., Aska)
Certified that the amendment to
Bye-law No enblow
passed by resolution of the General
meeting of the Society held
20.07.2013 was made
in accordance with Section 12 (3) of the
Co-operative Societies Act
1962 (542) been duly registered
in my office

[Signature]
14 July 2013
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