



Agenda No. : VIII. (3)
Board Meeting : 28/08/2021

PROPOSED AMENDMENTS TO BYE-LAWS

Bye-law No.	Existing Bye-law	Bye-law No.	Proposed amended Bye-law will read as	Reason/Purpose of proposed amendment
3.	Objects and Functions	3.	Objects and Functions	For the purpose of financial inclusion to Self Help Groups (SHGs)/Joint Liability Groups (JLGs), RBI by its master circular bearing Ref.No.DCBR.BPD.(PCB) MC No.14/13.05.000/2015-16 dated 01/07/2015 has permitted lending to Self Help Groups (SHGs)/Joint Liability Groups (JLGs), Various Government Schemes encourages loans to Self Help Groups (SHGs)/Joint Liability Groups (JLGs).
b.	Functions: To provide financial and technical assistance to Small Scale and Cottage Industries and to help self-employed persons for setting up their own business.	b.	Functions: To provide financial and technical assistance to Small Scale and Cottage Industries, Self Help Groups (SHGs) / Joint Liability Groups (JLGs) and to help self-employed persons for setting up their own business.	
XXi)	To provide financial and technical assistance to Small Scale and Cottage Industries and to help self-employed persons for setting up their own business.	XXi)		
4.	Membership:	4.	Membership:	For the purpose of financial inclusion and to provide for membership of the Bank to Self Help Groups (SHGs)/Joint Liability Groups (JLGs), RBI by its master circular bearing Ref.No.DCBR.BPD.(PCB) MC No.14/13.05.000/2015-16 dated 01/07/2015 has permitted lending to Self Help Groups (SHGs)/Joint Liability Groups (JLGs) after making them members. Various Government Schemes encourages loans to Self Help Groups (SHGs)/Joint Liability Groups (JLGs).
B.	Eligibility for ordinary membership:	B.	Eligibility for ordinary membership:	
ii)	No person shall be admitted as a member of the Bank except the following namely:-	ii)	No person shall be admitted as a member of the Bank except the following namely:-	
		j)	Self Help Groups (SHGs) and Joint Liability Groups (JLGs)	

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Bye-law No.	Existing Bye-law	Bye-law No.	Proposed amended Bye-law will read as	Reason/Purpose of proposed amendment
5.	Nominal or Associate Member The Bank may in the interest of promotion of the business of the Bank, admit a person who desires to stand surety for a borrowing member of the Bank or who desires to borrow occasionally for a temporary period against certain tangible securities such as Gold Ornaments, Units, National Saving Certificates, third party deposits, LIC policies, Government and Other Trustee Securities or who desires to borrow upto such limit as prescribed by the Reserve Bank of India from time to time for purchase of consumer durables, two wheeler vehicles, shares/debentures or for any other purpose as may be prescribed by the Reserve Bank of India as nominal member or associate member on payment of fee of ₹100/- as non-refundable fee and upon his/her agreeing to the condition that he/she shall cease to be nominal member when all liabilities against him/her either as a borrower or as surety are fully discharged.	5.	Nominal or Associate Member The Bank may in the interest of promotion of the business of the Bank, admit a person who desires to stand surety for a borrowing member of the Bank or who desires to borrow occasionally for a temporary period against certain tangible securities such as Gold Ornaments, Units, National Saving Certificates, third party deposits, LIC policies, Government and Other Trustee Securities or who desires to borrow upto such limit as prescribed by the Reserve Bank of India from time to time for purchase of consumer durables, two wheeler vehicles, shares/debentures or for any other purpose as may be prescribed by the Reserve Bank of India as nominal member or associate member on payment of fee of ₹100/- as non-refundable fee and upon his/her agreeing to the condition that he/she shall cease to be nominal member when all liabilities against him/her either as a borrower or as surety are fully discharged. However, the members of Self Help Groups (SHGs) and Joint Liability Groups (JLGs) who stand as guarantors for the loans granted to Self Help Groups (SHGs)/Joint Liability Groups (JLGS) are exempted from becoming nominal members.	Self Help Groups (SHGs) and Joint Liability Groups (JLGs) are formed by the individuals from the weaker sections of the society. Self Help Groups (SHGs) and Joint Liability Groups (JLGs) members can stand as surety without membership.
37.	Filling of vacancies in the Board of Directors: Vacancies arising out of the elected Directors of the Board shall be filled in by election by the members in the General Body, provided that the Board may fill a casual vacancy on the board by nomination out of the same class of members in respect of which the casual vacancy has arisen, if the term of office of the Board is less than half of its original term.	37	Filling of vacancies in the Board of Directors: Vacancies arising out of the elected Directors of the Board may be filled in by election by the members in the General Body, provided that the Board may fill a casual vacancy on the board by nomination out of the same class of members in respect of which the casual vacancy has arisen, if the term of office of the Board is less than half of its original term.	To be in conformity with the Constitution (97th Amendment) Act, 2011 relating to Co-operative Societies.