

Bye-Laws of The Rajasthan State Co-operative Bank Ltd., Jaipur

1. Name, Registered Office and Area of Operation

The Rajasthan State Co-operative Bank Ltd. is a co-operative society registered under The Rajasthan Co-operative Society Act, 2001 (Rajasthan Act No 16 of 2002).

Its Registered Office shall be at DC-I, Lal Kothi Shopping Centre, Tonk Road Jaipur-302015 (Rajasthan).

Its operations shall extend to the whole of the State of Rajasthan.

2. Definitions: -

- (1) In these bye-laws, unless there is any thing repugnant in the subject or context-,
- (i) "The Act" means, "The Rajasthan Co-operative Society Act, 2001 (Rajasthan Act No. 16 of 2001)".
 - (ii) "The Bank" means, "The Rajasthan State Co-operative Bank, Limited, Jaipur".
 - (iii) "Board" means, "the Board of Directors of the Bank; and
 - (iv) "State" means, "the State of Rajasthan".
- (2) Words and expressions defined in the Act and used in these bye-laws shall, unless the subject or context otherwise requires, have the meanings assigned to them in the Act.

3. Objects

The objects for which the Bank is established, are as follows.

- (a) To promote the economic interests of the members of the bank in accordance with Co-operative principles.
- (b) To serve as a balancing centre for all Co-operative banks and societies in the State.
- (c) To grant loans to Co-operative institutions registered or deemed to be registered under the Act and other members enrolled as per provisions of the bye-laws.
- (d) To lend money or grant overdrafts to, or open cash credit for depositors and members of the bank's staff on the security of
 - (i) Fixed deposits,
 - (ii) Government securities, and
 - (iii) Other securities approved by the Registrar also to grant clean over drafts to depositors who are at least nominal members according to the rules framed by the Board.
- (e) To serve as a balancing centre for all Co-operative banks and societies in the state
- (f) To undertake inland exchange business by collecting or discounting bills of exchange and hundies or to issue demand drafts. The discounting of bill shall be for those who are at least nominal members, according to rules framed by the board.
- (g) To receive for safe custody securities, ornaments and valuables.
- (h) To buy and sell for the legitimate investment of surplus funds, securities of the Govt. of Rajasthan or other securities specified in clause (a), (b), (c) and (d) of section 20 of

the Indian Trusts Act, 1982 and to act as agents for Cooperative Institutions for the purchase and sale of such securities.

- (i) To open branches where necessary, in its area of operation following the procedure applicable therefore on the Bank, and
- (j) To open, establish, maintain and operate currency chests and small coin depots on such terms and conditions, as may be required by the RBI Act, 1934 and to enter into all administrative or other arrangements for undertaking such functions with Reserve Bank of India.
- (k) Generally to undertaking such activities as may be conducive to the attaining of the above objects.

4. Share Capital

The authorized capital of the bank shall be One Hundred crore of rupees made up of the following types of shares:

1,92,000 "A" class shares of	96,00,00,000/-
Rs. 5,000/- each	
4,000 "B" class shares of	4,00,00,000/-
Rs. 10,000/- each	

	Rs. 100,00,00,000/-

The value of each share shall be paid in full before allotment: -

"A" class shares shall be allotted to the Central Co-operative Bank's, Apex Bank and other cooperative societies and other members enrolled as per provisions of the byelaws. "B" class shares shall be allotted only to the State Government:

Provided that the Government shall not hold more than twenty five percent of the total share capital of the Bank and that the Bank or the Government shall have option to further reduce the Government's share capital.

The authorised share capital of the bank shall be further increased as and when considered necessary by the Board of Directors of the bank without referring to the General Body of the bank, but with the permission of the Registrar, Co-operative Societies, Rajasthan, Jaipur

5. Membership

1. Membership of the Bank shall be open to the central Co-operative banks, apex Co-operative societies and the Government.
2. It shall be open to the Government to contribute towards the share capital of the Bank such amount, as it may deem fit.
3. Every member shall hold at least one share:
Provided that no member of the bank shall exercise the right of membership unless he has fulfilled the norms for such minimum essential utilization of the services of the bank as may be specified by the Registrar, If any, from time to time.
4. A member may increase the number of shares held by him at any time with the approval of the Board of Directors.

5. The Board of Directors shall have the right to refuse any application for allotment of a share or shares, either wholly or in part, without assigning any reason for the same.
6. Every application shall be accompanied by admission fee of Rs. 10/- which will be non-refundable and shall be carried to the reserve fund of the Bank.
7. A certificate of title to shares shall be issued within 3 months of allotment by the Bank under its common seal and the signatures of the President and Managing Director of the Bank.
8. The liability of each share holder is limited to the face value of the share or shares held by him.
9. The Board of Directors may admit a person who maintains a deposit of at least Rs 1000.00 in the deposit account of the Bank as a nominal member on an application being made by him in this behalf in writing, subject to the following conditions:-
 - (i) The Board of Directors shall have the right to refuse any application for nominal membership, if the applicant suffers from any of the disqualifications for membership as provided in the Rajasthan Co-operative Societies Act, the rules framed there under and the bye-laws of the Bank.
 - (ii) Every application for nominal membership shall be accompanied by an admission fee of Rs 10/-, which will be non-refundable and shall be carried to the reserve fund of the Bank.
 - (iii) Intimation of admission to nominal membership shall be given to an applicant within one month of such admission.
 - (iv) A nominal member shall not be entitled to any share in any form whatever in the assets of profits of the Bank nor shall have the right to vote in the affairs of the Bank.
 - (v) Save as provided in these byelaws, a nominal member shall have such privileges and rights of a member and shall be subject to such liabilities of a member, as may be specified in the Act, the rules framed there under and the bye-laws of the Bank.
10. Nominal Membership of the Bank shall also be open to such public sector institutions which facilitate rural production, processing, and marketing; viz. the State Agro Industries Corporation, the State Ware Housing Corporation, the Land Development Corporation and the State Electricity Board, or companies engaged in doing similar activities or any other body etc.
11. Nominal Membership of the Bank shall also be open to other corporate bodies registered or deemed to be registered under any Act in the State or in any other State or Union Territory.
12. Further, the Board of Directors may also admit a primary Co-operative society as a nominal member, provided that the society fulfills the necessary conditions.
13. Membership of the bank shall also be open to "Self Help Groups" as nominal members.

6. Transfer of shares:

1. No member shall be permitted to transfer any share held by him unless the transferee be a member or some person who satisfies the conditions for

membership laid down in the byelaws and whom the Board of Director-is willing to admit as a member. In any case the transfer of a share shall not be operative until and unless it is sanctioned by the Board of Directors. The transfer of shares shall also be subject to such other terms, as may be laid down by the Board of Directors. A fee of Rs 10/- shall be charged for the transfer of each share subject to a maximum of Rs.100/- for each transaction of transfer and shall be carried to the reserve fund of the Bank.

2. The transfer books and the register of members may be closed during such time as the Board of Director may think it, not exceeding on the whole thirty days in each year, and such period shall include fourteen days immediately preceding the General Body Meeting convened for the consideration of the annual report and statement of accounts.

7. Cessation of and succession of membership:

1. Membership of the bank shall cease on expulsion or on ceasing to hold any share of the bank or on failing to satisfy the conditions of membership laid down in bye-laws no.5 or on liquidation of the member.
2. The membership of the bank shall also cease, if the payment on account of shares allotted is in arrears either in part or in full, for a period of three months from the date of allotment and is not forthcoming even on a notice for a period to be prescribed by the Board of Director being served. The part payment towards whose membership thus ceased shall be refundable. This provision shall have retrospective effect.
3. The Board of Directors shall have the discretion to terminate the membership in cases where prescribed share applications have not been received within a period of three months from the date of allotment of shares and or after expiry of a period, the member has been served a notice therefore.

8. Expulsion

- (1) The General Body may expel from membership any member by adopting a special resolution, who:
 - (a) willfully deceives or endeavors in any way to defraud the Bank.
 - (b) does any act which is likely to be injurious to the interest of the Bank.
- (2) The Board of Director shall give fifteen day's written notice to the member concerned requiring him to present his case before the General Body in which his expulsion is on cards:

Provided that no such expulsion shall take effect unless the Registrar has accorded sanction to the resolution adopted by the General Body.

9. Borrowings

The maximum borrowing power of the bank shall not exceed twenty times of the own funds of the bank. Own funds include paid up share capital, statutory reserve, special bad debt reserve fund, bad and doubtful debt reserve, agricultural credit stabilisation fund, dividend equalisation fund and building fund.

10. Fund

The bank will ordinarily obtain funds from the following sources:-

- (a) Share capital
- (b) Deposits
- (c) Borrowings
- (d) Admission fees, and
- (e) Miscellaneous receipts.

11. Constitution of the General Body

- (i) Chairpersons or in their absence, Vice Chairpersons of the member societies other than the representatives of primary agricultural credit societies enrolled as nominal members.
- (ii) Nominal members enrolled under the provision of bye-law 5 (9 to 13) will not be members of general body of the bank.
- (iii) Ex- officio Directors
- (iv) All other Directors

12. Voting Rights

- (1) Each of the members other than the nominal members shall be entitled only to one vote.
- (2) No proxy shall be allowed.

13. Meeting of the General Body and its powers

The General Body shall meet from time to time and at least once a year within three months of the date fixed for making up its accounts for the year by the Rules framed under the Act. Fifteen clear days notice of the meeting specifying the date, place, hour and business thereof shall be sent by post to the, registered address of every member.

14. Functions of the General Body

1. The following, among other matters, shall be dealt with by the General Body:-
 - (i) Election of Directors representing member societies in accordance with the procedure prescribed in the Act and the rules and bye-laws of the bank.
 - (ii) Adoption of annual report and annual statement of accounts of the Bank.
 - (iii) Distribution of net profits.
 - (iv) Amendments to bye-laws.
 - (v) Expulsion of a member.
 - (vi) Such reports, returns and statements as may be prescribed by the Government or the Registrar for being placed before the General Body.
 - (vii) Annual Budget.
 - (viii) Fixation of the rates of traveling and other allowances to Directors or members of committees.
 - (ix) Transaction of any business concerning the Bank for which due notice has been given within the prescribed time.
2. The General Body shall not, ordinarily, interfere with the actions of the Board of Directors done in exercise of powers conferred on them by these bye-laws.

15. President of the Meeting

At every meeting of the General Body, the President, when present and in his absence, the Vice President shall preside. In the absence of both, the persons present in the meeting may elect a Chairman from amongst themselves to preside over the meeting.

16. Adjournment of Meeting

With the consent of majority of the persons at any meeting of the General Body, the President may adjourn the meeting to a convenient date not less than 7 days from the date of the meeting but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting at which the adjournment took place.

17. Decision by majority

Every question before the General body shall be decided by a majority of the votes of its constituents present and voting. In the case of an equality of votes, the President shall have a casting vote.

18. Special General Meeting

A special General Meeting of the General body may be convened by the Board whenever necessary subject to the provisions of section 26 of the Act. Such a meeting shall be convened upon receipt of a requisition in writing from one-fifth of the total numbers on the roll or 10 which ever is more.

19. Requisition to state the object of Special Meeting

A requisition for a Special General Meeting of the General body shall specify the object of the proposed meeting and shall be delivered at the registered office of the Bank.

20. Notice for special meeting

At least 15 clear days, notice shall be given for a special General Meeting of the General body.

21. Business to be discussed at Special Meeting.

At a special General Meeting of the General body no business other than that mentioned in the notice convening such meeting shall be transacted.

22. Quorum for a meeting of the General body

The quorum for a meeting of the General body shall be 17.

23. Constitution of the Board

- (1) The management of bank shall vest in a Board of Directors. The Board of Directors shall be constituted of the following:-
 - (a) Ten elected directors representing affiliated central co-operative banks provided that there shall be at least one director from each of the seven cooperative zones.
 - (b) One elected director representing affiliated apex societies.
 - (c) The Registrar, Co-operative Societies, Rajasthan to be ex-officio director.
 - (d) Managing Director of the bank as ex-officio director and Member-Secretary.
- (2) Among the eleven elected members in the Board of Directors, there shall be at least one member each from the scheduled caste, scheduled tribe, OBC and women candidates.

For this purpose, one seat in any one of seven cooperative zones (as mentioned in category (a) of sub-rule (1) or the seat belonging to category (b) thereof (i. e. the seat of affiliated apex societies), as the case may be, which has the highest number of representatives belonging to any of the above classes shall be reserved for that particular class; i. e. SC, ST, OBC or women:

Provided that if the number of representatives belonging to a particular class/classes in different cooperative zones or in category (b), is such that no clear cut reservation is possible on the basis of such number(s) alone; seats for the above classes shall be reserved by drawing lottery from among the possible zones/category (b), as the case may be.

- (3) Reservation of seats for SC, ST, OBC and women candidates shall be decided by the Board of Directors before each election and such reservation shall be effective after approval of the Registrar.
- (4) If a seat belonging to any of the four classes mentioned in sub-section (2) above has fallen vacant for any reason, whatsoever, the same shall be filled or made good by co-option of a candidate from that particular class from amongst the persons eligible to contest election to the Board of Directors:

Provided that a person, who has lost election for the seat in the last elections, or has been adjudged disqualified therefore, shall not be eligible for co-option.

- (5) Notwithstanding anything contained in this section here-in-above, there shall be such number of professionals on the Board of Directors, as may be specified by Reserve Bank of India from time to time and having special knowledge or experience in field of accounting, law, Banking, Management, Agriculture or Rural Economy or such knowledge or experience in such fields, if any, as may be specified by the Reserve Bank of India and, in case, such number of professionals do not get elected, the Board of Directors shall co-opt such number of professionals with full voting rights irrespective of whether such professionals are members or not:

Provided that where a person has been co-opted as a member of Board of Directors under this sub-section without having the requisite minimum qualifications, his co-option shall be treated as null and void and shall be removed from the office after giving him a reasonable opportunity of being heard

24. (a) The directors representing central Co-operative banks shall be the Chairpersons of the respective affiliated Central Co-op. banks.
- (b) The directors representing affiliated apex societies shall be elected from amongst the chairpersons of such apex societies.
- (c) The election to the Board of Directors and the election for the President and Vice President shall be in accordance with the provisions of the Act and the rules made there under.

25. **Disqualification for Directorship**

A Director of the Bank shall cease to hold office if he :-

- (1) ceases to be member of the Central Co-op. Bank or the society which he represents or ceases to be the chairperson of the society or the central Bank concerned, or
- (2) become incapable to act as such on account of bodily or mental infirmity, or

- (3) is known in the opinion of the Board to have maliciously done anything against the vital interests of the bank, or
- (4) a director of the Bank may be declared by the Board to have ceased to hold office, if he absents himself from three consecutive meetings of the Board without obtaining leave for such absence.
- (5) Incurs ineligibility to continue as a director under the provisions of the Act or the Rules.

26. Election of President and Vice President

The elected members of the Board shall elect from among themselves, a President and a Vice President, in accordance with the procedure laid down in the Act and the rules made there under.

27. Filling of casual vacancies among the Directors

Any casual or interim vacancy occurring in the Board shall be filled up by cooption by the remaining Directors of the Board from amongst the qualified representatives of the constituencies concerned. Such Director shall hold office till the next General Meeting when the vacancy shall be filled by election. Any vacancy amongst nominated directors shall be filled up by the Government.

28. Meeting of Directors

- (1) The Board shall meet as often as may be necessary for the transaction or the business of the Bank but not less than once a quarter. In the absence of the President, the Vice President shall preside. Questions arising at any meeting of the Board shall be decided by a majority of votes. In case of equality of votes, the President shall have a second and casting vote. The quorum for a meeting of the Board shall be eight.
- (2) The Board of Directors or the President may call a meeting of the Board upon a written requisition of not less than one half of the members of the Board. The President shall call a meeting of the Board within fourteen days from the date of such requisition.
- (3) Seven clear day's notice of every meeting shall ordinarily be given to each Director specifying the date, place and hour of the meeting and the subjects to be discussed there at, provided that the Board of Directors may, with the leave of the Board, bring before the meeting without previous notice any business which in its opinion is urgent.
- (4) If there be no quorum at a meeting of the Board, the Meeting shall stand adjourned to such other time and date as the Directors present at such meeting may determine. At any such adjourned meeting the Directors present shall, provided not less than four Directors are present, have the power to transact all the business specified in the agenda of the meeting which had to be adjourned for want of quorum.

29. Term of office of Directors

- (1) The elected members of the Board shall hold office for a period of five years from the date of election.
- (2) The Government may terminate the term of a nominated Director at any time and nominate another person in his place.

30. Proceedings of the Board

The proceedings of Board shall be recorded in a minute book kept for the purpose and shall be signed by the presiding member alongwith the Member Secretary.

31. General powers and duties of the Board

- (1) The entire administration and management of the Bank shall vest in the Board.
- (2) Subject to the provisions of the Act, the Rules framed there under and these bye-laws, the Board shall have and exercise such powers, enter into all such agreements, make all such arrangements, take all such proceeding and all such acts and things, as may be necessary or proper for the due management of the affairs of the Bank and for carrying out its objects and for securing and furthering its interests.

32. Expressed powers and Duties of the Board

The powers of the Board shall, amongst other be-

- (1) to define the financial policy of the Bank:
- (2) to give general directions to the Executive committee for raising funds:
- (3) to scrutinise and put up the annual budget to the General Body. The Board of Directors will, however, not be precluded from proceeding with the expenditure planned by it, should it take time to get the budget passed by the General Body.
- (4) to prescribe or regulate from time to time the strength of office and field establishment and their salaries and allowances:
- (5) to submit to the General Body the annual report and the statement of accounts:
- (6) to make arrangements for the efficient supervision of financing banks and societies.
- (7) to appoint, suspend, remove or, dismiss or otherwise deal with the employees of the Bank in accordance with such subsidiary rules, as may be framed in this behalf.
- (8) Disposal of loan applications and fixation of terms such as period of repayment, rate of interest to be charged and the like, and
- (9) to transact all other business incidental to the administration of the Bank.

33. Regulation of conduct of Bank's business

It shall be in competency of the Board to frame, subject to the provisions applicable therefore, subsidiary regulations consistent with the Act, the Rules framed there under and these bye-laws for the conduct of the business of the Bank including the laying down of rules pertaining to the qualifications and disqualifications for the member of the establishment, their recruitment, promotion, and discipline.

34. Directors not entitled to remuneration

The services of the members of the Board, the Executive Committee or other committees, if any, shall be gratuitous. They shall however be entitled to such traveling allowances and sitting fees as may be fixed by the Registrar from time to time

35. Delegation of Board's powers

The Board may delegate any of its powers to the Executive committee or any other committee or the President or the Managing Director or any employee of the bank from time to time by resolution in writing and withdraw all or any of the powers so delegated.

36. The Executive Committee

- (1) There shall be an Executive Committee consisting of six members who shall be the President, Vice President and three members elected by the Board from amongst themselves and the Managing Director of the Bank. The Managing Director shall be ex-officio member secretary of the Executive Committee.
- (2) The members of the Executive Committee shall hold office for the full term for which they are members of the Board or till their successors are appointed and assume charge of office. An elected member of the Executive Committee may be declared by the Committee to have ceased to hold office if he absents himself from three consecutive meetings of the committee without obtaining leave for such absence. An interim vacancy by resignation or other wise occurring among the elected members of the Executive Committee shall be filled by election by the Board.
- (3) The President or in his absence the Vice-President shall preside over the meetings of the Executive Committee. Four members will form the quorum.
- (4) The Executive Committee shall exercise such powers and duties as may be delegated to it by the Board. In addition to the powers and duties that the Board may delegate to it, the Executive Committee may exercise the following power and duties, subject to such general directions, as the Board may issue from time to time:-
 - (i) Admission of members,
 - (ii) Allotment of shares to members,
 - (iii) Right to refuse allotment of shares for any reason.
 - (iv) Sanction of transfer of shares subject to general directions of the Board,
 - (v) Fixation of terms on which and the period for which deposits will be accepted by the Bank.
 - (vi) Fixation of terms of loans taken by the Bank.
 - (vii) Fixation of terms on which the bank shall grant loans.
 - (viii) Investments of surplus funds of the Bank.
 - (ix) Preparations of the annual report, budget and annual accounts of the Bank.
 - (x) Summoning meetings of the Board.
 - (x) Determination of other general banking transactions within the frame work of these bye-laws.
 - (xi) Examination of all cases of arrears and taking proper action for their recovery.
 - (xii) Fixation of the nature and amount of security to be given by the several grades of employees in the bank.
 - (xiv) Summoning a meeting of the General Body subject to the directions of the Board, and
 - (xv) Generally to carry out the directions and instructions of the Board and to do all other acts which are necessary for the management of the Bank and which have not been reserved to the Board or expressly conferred on the President or the Managing Director by the bye-laws.

37. Decision by circulation

For the prompt disposal of applications for loans or other matters, the Managing Director may circulate papers by post or otherwise among the members or the Executive Committee and if such members of the Executive committee are unanimous in their opinion, it shall have the same effect as a decision of the Executive Committee. If, however, there is a difference of opinion on the papers under circulation, the matter shall be placed at the next meeting of the Committee for decision.

38. Delegation of Executive Committee's powers

The Executive Committee may, for reasons to be recorded, delegate any of its powers to the President or to the Vice President in the absence of the President for a specified period subject to the condition that the President or the Vice President shall exercise such powers jointly with the Managing Director and may at any time withdraw such powers.

39. Other Committees and their powers

It shall be open to the Board to constitute such other committees from among its members as it may consider necessary to facilitate the work of the Bank and to delegate to such committees such of its powers and of the powers of the Executive Committee as it deems fit.

40. Officers of the Bank

Subject to such resolution, as the Board or the Executive Committee may, from time to time, pass in this behalf, the following officers of the Bank shall have the powers as mentioned below:-

(1) President/Chairman:-

- (a) The President/Chairman shall exercise general control and supervision over the affairs of the Bank and the work of its officers. He shall preside over the meetings of the General Body, the Board and the Executive Committee.
- (b) The President/Chairman shall exercise the powers delegated to him by the Executive Committee and may, subject to the approval of the Executive Committee, except in any emergency, delegate any of his powers and duties to the Vice President/Vice Chairman or, in his absence, to any Director for a specified period and may withdraw any powers so delegated.

- (2) Vice President/Vice chairman :- Whenever the President / Chairman is obliged to absent himself from his office by reason of his absence from headquarters or illness or any other cause, the Vice-President/Vice Chairman shall exercise the powers and perform the duties of the President.

(3) Managing Director:-

- (a) The Managing Director shall be the Chief Executive Officer of the Bank, who shall be appointed by the Board of Directors and shall fulfill such criteria as may be stipulated by the Reserve Bank of India.
- (b) The Managing Director shall be responsible for the general administration of the bank subject to the control of the Board of Directors.
- (c) The Managing Director shall -
 - (i) have custody of all the properties of the Bank.

- (ii) be the officer to sue or be sued on behalf of the Bank.
- (iii) have all bonds in favour of the Bank executed in his name and execute all bonds for and on behalf of the Bank.
- (iv) have powers for and on behalf of the Bank to operate the Bank's accounts and subject to such directions and limits as may be laid down by the Board or the Executive Committee to buy, sell, pledge, endorse and transfer promissory note, Government and other securities standing in the name of or held by the Bank, to sign, endorse and negotiate cheques and other negotiable instruments, and to sign all receipts of all accounts and other documents connected with the business of the Bank.
- (v) have also power, subject to directions of the Executive Committee to accept deposits of all kinds and to carry on general banking transactions within the frame work of these bye-laws.
- (vi) examine loan applications and place them before the Executive Committee for its consideration.
- (vii) review and direct the progress made in the collection of installments or over dues of Central Co-operative Banks.
- (viii) arrange for holding of the meetings of the Executive Committee, the Board and the General Body in such manner as may be prescribed.
- (ix) attend every meeting of the Board and the Executive Committee.
- (x) maintain such accounts and registers as are prescribed under the Act, the Rules, framed there under or these bye-law; and
- (xi) do all, that is necessary for carrying on generally the day-to-day administration of the Bank.
- (xiii) have administrative control over the staff of the Bank and shall, subject to the provisions of the applicable service rules, if any, have powers to suspend, award punishment including dismissal from service to employees of the Bank:

Provided that on the officers/employees working on deputation in the Bank, the respective service rules applicable on them in their parent department shall be effective.

41. Loan and cash credits:-

The funds of the bank shall be utilised for making loans & advances as per lending policy of the bank.

42. Inspection and Supervision

Inspection and supervision of the working of the Central Cooperative Banks, Banking Unions and other affiliated cooperative societies including Primary Agricultural Cooperative Societies enrolled as nominal members in so far as adequate and efficient provision of credit in the State is concerned shall be a primary function of the Bank

43. Annual Statements

- (1) The Bank shall prepare annually in such form as may be prescribed by the Registrar.

- (a) A statement showing the receipts and disbursement for the year.
 - (b) A profit and loss account.
 - (c) A Balance sheet and
 - (d) Such other statements as may be prescribed by the Registrar.
- (2) These statements shall be made up to the 31st March every year and a copy thereof shall be sent to the Registrar by the 15th May. The Bank, after getting its accounts audited, shall publish such statements in the newspapers or as per the guidelines issued by the National Bank or in the manner prescribed by the Reserve Bank of India.

44. Profits:

- (1) The annual net profits of the Bank as declared by the Registrar in his audit certificate shall be disposed of in the following manner:
- (i) At least 25% of the net profit, after providing for unrealised interest, shall be carried to the Reserve Fund.
 - (ii) Divided to be paid not exceeding the rates as permissible under the Rajasthan Cooperative Societies Act and rules on the amount of shares held by the members subject to the condition that no dividend shall be payable on the amount paid up on any share which has not been held for at least six months at the close of the year for which profits are being distributed. On shares held for a period of less than a year and more than six months, dividend shall be payable for six months only. Beyond the dividend no bonus shall be payable on shares.
 - (iii) Not less than 15% and not more than 25% of the net profit shall be carried to the Agricultural Credit Stabilization Fund.
 - (iv) Not less than 5% of the net profit shall be carried to bad and doubtful debt reserve.
 - (v) Any balance remaining may be allotted to any or all of the following as the General Body may think fit subject to such general restrictions as may be prescribed by the Act or the Rules framed there under:
 - a) Investment Depreciation fund.
 - b) Building fund.
 - c) Dividend Equalisation fund.
 - d) Bonus to staff not exceeding two month salary.
 - e) Staff gratuity fund according to the rules framed by the Board.
- (2) The allotment to the funds specified in sub clause (v) clause (1) shall, as far as possible, be made in the order or priority mentioned therein.
- (3) Inappropriate or undisbursable balance, if any, shall be added to the reserve fund.
- (4) If any share holder does not claim dividend within 6 years of its declaration, he shall forfeit his right to dividend and such dividend shall be carried to the reserve fund of the Bank.
- (5) No unpaid dividend shall bear the interest against the Bank.

45. Reserve Fund

The Reserve Fund shall belong to the Bank as a whole. No member can claim a share in it. It shall be invested in any of the securities specified in Section 20 of the Indian Trusts Act, 1882 or in any bank or financial institution regulated by the Reserve Bank of India and shall not be drawn upon except with the consent of the Registrar.

46. Disposal of Reserve and other Funds upon Dissolution

In the event of the dissolution of the Bank, the Reserve and other funds of the Bank shall be disposed of in the manner laid in the Act and the Rules framed there under

47. Disputes

Any dispute touching the business of the Bank in terms of section 58 of the Act shall be referred to the Registrar who shall dispose of the same in accordance with the procedure prescribed under the said section and the Rules framed under the Act.

48. Amendment of Bye-laws

No amendment to, alteration in, or cancellation of a bye-laws or the enactment of a new bye-laws shall be made except in a manner provided in the Act and the Rules and it shall not take effect until it is registered by the Registrar.

49. Bank Bye-laws to prevail over those of societies in case of conflict

Should there be a conflict between the bye-laws of the Bank and the bye-laws of any affiliated Central Cooperative Bank or society, the Bye-laws of the Bank shall prevail.

50. Interpretation of the Bye-laws:-

Should any doubt arise either in the construction / interpretation of the Act or these Bye-laws, the Registrar shall be competent to interpret and advice thereon, and the Bank shall abide by such advice.

