

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

1. NAME

The Bank shall be called the **Jain Co-operative Bank Ltd.**

2. REGISTERED OFFICE

The Registered Office of the Bank shall be situated at **80, Darya Ganj, New Delhi-110002.**

(Any change in address shall be notified to the Registering Authority within 30 days and also published in the local newspapers).

3. AREA OF OPERATION

The area of operation of the Bank shall be confined to the National Capital Territory of Delhi. For any revision in this regard, prior approval of Reserve Bank of India and Registering Authority shall be obtained.

4. DEFINITIONS

- (i) The word 'Act' and the word 'Rules' used in these bye-laws mean the Delhi Co-operative Societies Act, 2003 as amended from time to time and the DCS Rules 2007 respectively.
- (ii) 'Government' means the 'Government of India' and shall include the Government of National Capital Territory of Delhi.
- (iii) 'Registrar' means the Registrar, Cooperative Societies National Capital Territory of Delhi.
- (iv) 'Member' means a person joining in an application for registration of the Bank, or a person duly admitted to the membership of the Bank after Registration and includes a nominal and associate member.
- (v) 'Nominal' member means a person who has been admitted as nominal member under Bye-Laws No. 10.
- (vi) 'Bank' means the Jain Co-operative Bank Ltd.
- (vii) 'Bye-Laws' means the Bye-laws of the Jain Co-operative Bank Ltd.
- (viii) 'Chief Executive Officer' means the Managing Director or the Chief of Staff in the Bank appointed by the Board of Directors who will act as an advisor to the Board of the Bank and will be responsible for day-to-day working of the Bank.
- (ix) A person means an adult individual, proprietary concern, partnership firm duly registered under the Indian Partnership Act, 1932, company or any other body corporate constituted under the law for the time being in force except a cooperative Society registered under the Cooperative Societies Act other than State Cooperative Bank (SC Bk) of the State concerned or Central Cooperative Bank (CC Bk) of the district concerned Society registered under the Societies Registration Act of 1860. State Government and Public Trust registered under any law for the time being in force for registration of such trusts.
- (x) A person shall be deemed to be a relative of another, if and only if,:- **a)** they are members of a Hindu Undivided Family; or **b)** they are husband and wife; or **c)** the one is related to the other in the manner indicated below: List of relatives **1.** Father **2.** Mother including step-mother **3.** Son including step-son **4.** Son's wife **5.** Daughter including step-daughter **6.** Daughter's husband **7.** Brother (including step-brother) **8.** Brother's wife **9.** Sister (including step-sister) **10.** Sister's husband.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

5. OBJECTS

The Bank may engage itself in the following businesses subject to the permission of Reserve Bank of India or Registrar, Cooperative Societies where prescribed: -

- (i) To, encourage thrift, self-help and cooperation among members.
- (ii) To accept deposits of money from the public, repayable on demand or otherwise, and withdrawable by Cheque, drafts, order or otherwise, for the purpose of lending or investment.
- (iii) To borrow or raise money.
- (iv) To lend or to advance money either upon or without security to members and others as permitted by the Reserve Bank of India.
- (v) To draw, make, accept, discount, buy, sell, collect and deal in bills of exchange, hundies, promissory notes, coupons, drafts, bills of lading, railway receipts, warrants, certificates, scripts and other instruments and other securities whether transferable or negotiable or not.
- (vi) To grant and to issue letters of credit, Travellers' Cheques and circular notes.
- (vii) To buy and to sell foreign exchange including foreign Bank notes.
- (viii) To acquire, to hold, to issue on commission, to underwrite and to deal in stocks, funds, shares, debentures, debenture stock, bonds, obligations, securities and investments of all kinds.
- (ix) To purchase and to sell bonds, script or other forms of securities on behalf of constituents.
- (x) To receive all kind of bonds, scripts, valuables on deposit or for safe custody or otherwise.
- (xi) To provide safe deposit vaults.
- (xii) To collect and transmit money and securities.
- (xiii) To negotiate loans and advances.
- (xiv) To carry on and to transact every kind of guarantee and indemnity business on behalf of constituents.
- (xv) To effect, to insure, to guarantee, to underwrite, to participate in managing and carrying out any issue, public or private, of State, Municipal or other loans or of shares, stocks, debentures, debenture stock of any company, cooperative society, corporation or association and to lend money for the purpose of any such issue.
- (xvi) To acquire, to construct, to maintain and to alter any building or works necessary or convenient for the purpose of the Bank.
- (xvii) To manage, to sell and to realize any property which may come into the possession of the Bank in satisfaction or part satisfaction of any of its claims.
- (xviii) To open branches and pay offices with the permission of the Registrar, Cooperative Societies and the Reserve Bank of India within the area of operation of the Bank so as to provide Banking services to the public.
- (xix) To acquire, to manage and to undertake the whole or part of business of any other cooperative society.
- (xx) To establish, to support, or to aid in establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

members, employees / ex-employees of the Bank or the dependents or connections of such persons and to grant pensions.

- (xxi) To prepare and to finance schemes for amelioration of the financial condition of members.
- (xxii) To provide financial and technical assistance to self-employed persons for setting up their own business.
- (xxiii) To enter into participation arrangement / arrangements with any other Bank or Banks or financial institutions with the object of making loans and advances.
- (xxiv) To do and other form of business as specified in clause (1) of Section 6 of the Banking Regulation Act, 1949 (As Applicable to Cooperative Societies).
- (xxv) To do all such other things as are incidental and conducive to the promotion or advancement of these objects and of the business of the Bank.
- (xxvi) To undertake any other form of business which the Central Government may specify as a form of business in which it is lawful for a cooperative Banking institution to engage.

6. FUNDS

Funds may be raised by the following means:

- (i) Shares.
- (ii) Entrance Fee.
- (iii) Subscription.
- (iv) Deposits.
- (v) Loans, Cash Credits, Overdrafts and Advances.
- (vi) Donations Grants and Subsidies.

7. The maximum borrowing power of the Bank shall not be exceed 20 times of the paid-up share capital and reserves minus the bad-debts reserve and accumulated losses.

8. SHARES

The authorized share Capital of the Bank is Rs. 10,00,00,000/- made up of 10,00,000/- share of Rs. 100/- each. Share Money should be paid in full on application.

The authorized share capital may be increased from time to time by General Body Resolution.

9. MEMBERS

- (a) An individual may be admitted as a member if he is an adult, competent to contract and resided within the area of operation of the Bank or is gainfully engaged in any occupation in the area, provided that he is not a member of any other primary cooperative Bank or a cooperative society of similar nature.
- (b) Any other person as defined under bye-law 4(ix) having its registered office within the area of operation of the Bank, and conducting business within such area may be admitted as a member, provided that:
 - (i) The individual or person is not a member of any other primary cooperative Bank or a cooperative credit society.
 - (ii) The individual or any partner of a partnership form is not convicted of any criminal offence involving moral turpitude.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (iii) The individual or the person is not engaged in a business competing with or conflicting with the business of the Bank.
- (iv) The individual or his/her relative is not an employee of the Bank.
- (v) The individual or the person has subscribed to and fully paid for at least ten shares of the Bank and his application has been duly approved by the Board of Directors or Sub Committee of the Board or any officer of the Bank who has been delegated such authority. The member whose share are less than the minimum required 10 shares will not be entitled for any membership rights i.e. Loan facility, to vote/contest in election or participate in any activity of the Bank.
- (c) Government of India and / or Govt. of National Capital Territory of Delhi.
- (d) The Delhi State Cooperative Bank Ltd.

No right of membership shall be exercisable until a person has made such payments to the Bank in respect of membership or acquired such interest in the Bank as may be prescribed by the Act or Rules or the Bye-Laws.

10. NOMINAL MEMBERS

- (i) Any person who is a co-parcener or who desired to stand surety for a borrowing member of the Bank or who desired to borrow upto Rs.1 lacs or the limit as may be specified by Reserve Bank of India occasionally for a temporary period against certain tangible securities such as gold and silver ornaments, fixed deposits receipts, life insurance policies and Govt. and other trustee securities may be enrolled as a nominal member upon his application in a prescribed form on payment of Rs. 1000/- as non-refundable entrance fee provided he resides or is gainfully engaged in any occupation within the area of operation of the Bank.
- (ii) The nominal member shall not be entitled:
 - (a) To receive a share certificate;
 - (b) To receive audited accounts annual report;
 - (c) To attend, to participate and to vote in the General Meeting, and / or Special General Meeting of the Bank; and
 - (d) To receive dividend.
- (iii) A cooperative society registered under any law shall not be eligible and as such shall not be admitted to nominal membership in terms of the provision of this bye-law.

11. JOINT SHAREHOLDERS

Shares may be purchased in the names of more than one person jointly.

- (i) On death of a joint-holder, the surviving person / persons shall be recognized as joint holder/holders.
- (ii) The joint-holder of any share shall be liable severally as well as jointly for all payments, which are to be made in respect of such share or shares.
- (iii) The person whose name stands first written on the share certificate shall enjoy all the rights of a member and be responsible for all the liabilities of a member and shall be entitled to receive the annual dividend and notice of General Meeting.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (iv) Where a share of the Bank is held jointly by more than one person, the person whose name stands first in the share certificate, if present, shall have the right to vote.

12. SHARE CERTIFICATE

Every person admitted as member shall be entitled to receive a share certificate stating the number of share(s) and their distinctive number(s). The share certificates shall be signed by the Authorized Signatories duly authorized by Board of Director. The share certificate shall bear the Bank's seal.

13. TRANSFER OF SHARES

- (i) A member may transfer his share or shares after holding them for not less than one year to any person duly approved by the Board of Directors. The transfer is not complete until the name of the transferee has been duly entered in the register of members and the transfer fee of Rs.5/- per share is paid. The Bank has the right to decline to transfer the share to the share holder member if:-
- (a) The member is indebted or is liable as surety to another member who is indebted to the Bank.
- (b) The transferee does not fulfill the conditions prescribed under the bye-laws 9(a) and
- (c) The member does not want to transfer all the shares held by him.
- (ii) If any certificate be worn out, defaced, destroyed or lost, a new share certificate(s) may be issued in lieu thereof on payment of a fee of Rs.10/- per scrip. It shall, however, be necessary to produce evidence to the satisfaction of the Board of Directors that the share certificate was worn out, defaced, destroyed or lost, or in absence of such evidence, on such indemnity as the Board of Directors may deem sufficient.

14. RESIGNATION, CESSATION AND EXPULSION OF MEMBER

- (i) A member may resign his membership and withdraw his capital with the approval of the Board of Directors. The approval shall not be given while such a member is indebted or stood surety for a loan which has not been fully paid off and within one year of his becoming a member of the Bank. During any cooperative year, the aggregate withdrawals should not exceed 10 percent of the total paid-up share capital as at 31 March of the preceding year provided the real or exchangeable value of paid up share capital and reserves does not stand reduced to less than Rs.1 Lakh as per section 11(1) of the Banking Regulation Act, 1949 (As Applicable to Cooperative Societies) as a result of such withdrawals.
- (ii) Membership will cease:-
- (a) On death, or dissolution or liquidation in case of form or company or other corporate body;
- (b) On being adjudged as insolvent or legally disabled from continuing as a member;
- (c) Membership of defaulting borrowers and his/her sureties may be expelled if his/her loan is either settled or written of by the Bank.
- (d) On transfer of all the shares;

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (e) On resignation or withdrawal of membership having been accepted.
- (iii) A shareholder member may be expelled as per provisions of the Cooperative Societies Act and Rules made thereunder.
- (a) A shareholder member may be expelled as per provisions of the Cooperative Societies Act and Rules made there under.
- (b) Member of Board of Directors may be expelled from his/her membership if any secured/unsecured loans & advances or any other financial accommodation is availed or outstanding against him or his/her relatives.
- (c) Membership of defaulting borrowers and his/her sureties may be expelled if his/her loan is either settled or written of by the Bank.

15. NOMINATION

A member may nominate a person to receive the member's interest in the Bank after his death. Nomination shall be made in the prescribed form and entered in the special register kept at the Bank's registered office. An employee of the Bank or his/her relative can not be made nominee. Nomination can be revoked and fresh nomination made any number of times after due intimation in writing to the Bank.

16. DEATH OF SHAREHOLDER

- (a) On death of a shareholder, the Bank may pay to the person or persons nominated a sum representing the value of the shareholder's interest in the Bank within six months from the death of the shareholder. In the absence of nomination, the Bank may pay to such person or persons as may appear to the Board of Directors to be entitled to receive the same as heir or legal representative of the deceased shareholder on his or their executing an appropriate deed of indemnity in favour of the Bank. Interest of the deceased shall be the amount of shares and dividend together with amounts due to him on account of deposits and interest thereon or on any other account less the amounts due by them to the Bank.
- (b) After the death of the original member, if the nominee wants to transfer the membership or claim / interest of the original member in the name of some other legal heir or person, he shall have to apply in writing within 30 days from the date of expiry of the original member failing which the managing committee of the Bank will decide the issue as per provisions of the Delhi Cooperative Societies Act and the Rules framed thereunder.

17. LIABILITY OF A MEMBER

The liability of a shareholder shall be limited to the capital represented by the share or shares of which such shareholder is the registered shareholder. The liability of a past shareholder to the extent of the shares as they existed at the time when he ceased to be a shareholder shall continue for a period of two years from the date of cessation. The estate of the deceased shareholder shall remain to the extent of sums due for a period of two years.

18. LIEN ON SHARES, DIVIDENDS AND DEPOSITS

The Bank shall have the first and paramount lien or charge upon all the shares, dividends and deposits of any member or past member for all moneys dues from him to the Bank from time to time. The Bank may at any time set off any sum credited or payable to the member or past member towards payment of any liability of such member or past member.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

19. GENERAL BODY

- (i) Subject to the provisions of the Act and Rules, the final authority of the Bank shall vest in the General Body.
- (ii) General Meetings shall be of two kinds, viz. Annual General Meeting and Special General Meeting.
- (iii) The Annual General Meeting shall be called once on or before 30th September each year or within such period as extended by the Registrar.
- (iv) The Special General Meeting may be called at any time by the Board of Directors. It shall also be called on a written requisition made to the Chairman of the Board of Directors by at least 1000 Shareholders or 1/5th shareholders whichever number is more or in a requisition from the Registrar of Cooperative Societies.

20. BUSINESS OF THE ANNUAL GENERAL MEETING.

The Business of the Annual General Meeting shall be as under:

- (i) To consider the Board of Directors' Report on the working for the Bank for the preceding year, together with the audited statements of accounts including the balance sheet and the profit and loss account for the year.
- (ii) To sanction distribution of profits and to declare dividend at the rate not exceeding the rate recommended by the Board of Directors and prescribed in the Delhi Cooperative Societies Act and Rules.

21. TERM / ELECTION OF BOARD OF DIRECTORS

The term of the Board of Directors shall be 3 years. The General Body shall elect one Chairman, one Vice Chairman and 10 Directors (out of which 2 seats are reserved for Women Director, 2 seats are reserved for Professional Director i.e. persons with suitable Banking experience (at middle/Senior management level) or with professional qualifications in the fields of Law, Accountancy or Finance and 2 seats are reserved for Electoral College) in accordance with the procedure laid down in the Delhi cooperative Societies Act, 2003 and Delhi Cooperative Societies Rules, 2007 as amended from time to time.

22. BUSINESS OF SPECIAL GENERAL MEETING

The business of Special General Meeting shall be the business as stated in the notice of requisition only. No other business shall be transacted.

23. NOTICE: ANNUAL GENERAL MEETING AND SPECIAL GENERAL MEETING

- (i) Notice of the Annual General Meeting together with the Agenda of the meeting, audited statements of accounts including the balance sheet and the profit & loss account and the report of Board of Directors shall be sent to the registered address of each shareholder member at least 14 days prior to the date of meeting.
- (ii) A Special General Meeting must be convened within 30 days of receipt of requisition from members or from the Registrar of Cooperative Societies. Notice calling the meeting shall disclose the business contained in the notice of requisition and shall be the only agenda for the meeting. Notice shall be sent to the registered address of each shareholder member at least 9 days prior to the date of meeting.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (iii) Notice of the Annual General Meeting shall state the place, date and time of the meeting. It shall also state the place; date and time of holding of the adjourned meeting should it be necessary to adjourn in the absence of quorum.
- (iv) Non-receipt of notice by shareholder members shall not be a valid ground for postponing or adjourning the Annual General Meeting.
- (v) Notice of the meeting shall be signed / issued by The Chairman or Chief Executive Officer of the Bank.

24. QUORUM

The presence of one third of the total number of shareholders shall constitute the quorum of the General Body Meeting of the Bank. No business shall be transacted at any meeting unless the required quorum of members is present.

25. Adjournment of an Annual General Meeting and Dissolution of a Special General Meeting

- (i) In the absence of a quorum within one hour after the time appointed for holding of a General Meeting, the meeting shall stand adjourned for one hour on the same day, which should be specified in the notice calling the meeting.
- (ii) In the absence of a quorum within the time fixed for holding an adjourned General Meeting, the shareholder members present and entitled to vote shall form the quorum.
- (iii) No business other than that business for which a General Meeting was called shall be transacted at an adjourned meeting.
- (iv) If, within one hour after the time appointed for holding a special general meeting, convened on requisition by shareholder members, a quorum is not present, the meeting shall be dissolved.

26. CHAIRMAN OF GENERAL MEETING

The Chairman of the Board of Directors shall preside over the General Meeting. In his absence, the Vice Chairman and in the absence of both, the shareholder members present and entitled to vote shall elect one from amongst them to preside over the meeting.

27. VOTING RIGHTS

- (i) Each shareholder member shall have one vote irrespective of the number of shares held.
- (ii) Individual shareholder members shall vote in person, while a firm or a company or any other body corporate constituted under any law for the time being in force, or Government which is a shareholder member may appoint one of its partners, directors or officers to participate in the meeting and to exercise the right to vote.
- (iii) The Chairman presiding over the meeting shall have a casting vote. In case there is equality of votes for and against any resolution.
- (iv) In case of Joint membership the person whose name appeared first in the share certificate shall have the right to vote. The other persons including nominal and associate members and legally disqualified according to the provisions of the bye-laws shall have no right to vote. The defaulters against whom a decree has been issued under section 61 shall have no right to vote.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (v) Only those members whose KYC is updated as per RBI guidelines within a maximum period of two years from the date of notification of election shall be eligible to attend, to participate and to vote in the general meeting, Special General Meeting and / OR election of the Bank.

28. RESOLUTIONS

- (i) Resolutions shall be carried by a majority of votes. Votes shall be taken by show of hands as prescribed in the Delhi Cooperative Societies Rules, 2007.
- (ii) Unless specifically directed in this behalf by the Registrar, no resolution / concerning
- (a) Election of an office-bearer and or b) Resolution passed in the previous General Body meeting can be placed before a General Meeting for re-consideration unless six clear months have from the date the original resolution was passed.

29. MINUTES

- (i) Minutes of General Meeting shall be made in the minutes book provided for that purpose.
- (ii) Minutes of a meeting shall stand confirmed as soon as the same are signed by the Chairman who presided over the meeting.

30. BOARD OF DIRECTORS

- (i) The Board of Directors shall consist of not more than 12 Directors, (including Chairman and Vice Chairman), to be elected from amongst the Shareholder member of the Bank of the age of 21 & above. At least 2 directors out of the 12 directors shall be elected from among the Shareholders residing in the area of the Bank's branches outside the headquarters where the Bank has 2 or more branches. Where the number of such branches is more than two, the branches may be grouped in such a way that the Shareholders in each group constitute an electoral college for the election of the directors. The board of directors shall consist at all times at least two directors with suitable Banking experience or with relevant professional qualifications i.e. Chartered Accountants with Bank Accounting / Auditing experience residing in area of operation of the Bank. In case, no such Professional member / members are elected to the board. The Board shall co-opt member / members with suitable Banking experience or with relevant professional qualifications i.e. Chartered Accountants with Bank accounting / auditing experience residing in area of operation of the Bank within 30 days from the date of election. (Amended as per RCS Directions No. 276 dated 26-08-2002)
- (ii) In the event of the State Government contributing to the share capital of the Bank, it shall be entitled to nominate not more than one-third or three directors on the Board of Directors of the Bank, whichever number is less.
- (iii) In addition to elected and nominated Directors, the Board of Directors may if it so desires, co-opt not more than two Directors from among persons, connected with small-scale and cottage industries, economists, financial and Banking experts, and experienced cooperators residing in the area of operation of the Bank. Such Directors, however, shall not be entitled to vote at the meeting of the Board of Directors.
- (iv) A retiring director shall be eligible for re-election.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (v) The expert directors as referred to in Clause (iii) above may be co-opted every year.

31. CHAIRMAN & VICE CHAIRMAN OF THE BOARD OF DIRECTORS

- (i) the Chairman shall preside over all meetings of the Board and also over the Annual General Body meeting and Special General Meeting when such meetings are called for. In the absence of the Chairman, the Vice Chairman shall preside over the meetings and in the absence of both the Chairman and Vice Chairman; the Director shall elect the Chairman for that meeting from among those present.
- (ii) The Chairman of a meeting shall have casting vote.

32. ELIGIBILITY FOR ELECTION AS DIRECTOR

A member shall not be eligible to be elected as Director if he earns any disqualification prescribed under Rule 54 of the Delhi Cooperative Societies Rules, 2007 and Bye-laws of the Bank. Provided, he/she is having minimum required 10 Share of Rs.100/ each and any deposit of Rs. 1000/.

33. VACATION OF OFFICE BY A DIRECTOR

A director shall be deemed to have vacated his office before the expiry of his term, if:

- (i) He becomes a defaulter either as a borrower or as a surety or if any secured or unsecured loans and advances or any other financial accommodations is availed or outstanding against him or his/her relatives or has given any false declaration at the time of becoming member or contesting election.
- (ii) He resigns and his resignation is accepted and / or ceases to be a member.
- (iii) He remains absent for three consecutive meetings of Board without obtaining leave of absence.
- (iv) He is adjudged insolvent or incurs legal disability.
- (v) He accept a position of profit in the Bank.
- (vi) He incurs disqualification as per provision of the Act and Rules.

34. VACANCY IN THE BOARD OF DIRECTORS

Vacancies in the Board of Directors occurring through death or resignation shall be filled by the remaining Directors by co-option from amongst the shareholders who have not earned any disqualification under Rule 54 of the Delhi Cooperative Societies Rules, 2007 and Bye-Laws of the Bank. Vacancies if any, may be filled by cooption by remaining members of the Board. Such director shall hold office till the time of next election.

35. MEETINGS OF THE BOARD OF DIRECTORS & NOTICE OF THE MEETING

The board shall meet as often as is necessary to transact business, but it shall meet at least once a month. Notice of meeting of the Board of Directors together with the Agenda shall be sent to all the directors' at least five days prior to the date of the meeting.

36. QUORUM

One third of the strength of the Board of Directors shall form the quorum.

37. POWERS OF THE BOARD OF DIRECTORS

- (i) To consider applications for membership, allotment, transfer of shares and resignation.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (ii) To raise with or without security, loans, overdrafts and Cash Credits within the maximum limit of borrowing fixed by the General Body of the Bank, and to approve the terms and conditions of such borrowings.
- (iii) To approve the annual balance-sheet, statement of profit & loss account and other statements for being placed before the members at the Annual General Meeting.
- (iv) To consider applications for loans and advances and discounting of bills and to determine the terms and conditions thereof.
- (v) To enter into participation arrangements with any commercial or cooperative Bank and financial corporation for the purposes of loans and advances and to determine the terms and conditions of participation. This power shall not delegate to any Committee, Office Bearer or officer.
- (vi) To consider cases of arrears and defaults of loans, overdrafts, advances and cash credits due from constituents and approve the action to be taken for recovery of the same.
- (vii) To consider the proposal to modify, alter, delete and to add to the terms and conditions governing the out-standing loans, overdrafts, cash credits and advanced due from the constituents.
- (viii) To approve investment of monies belonging to the Bank in government and trustee securities, deposits and other approved securities.
- (ix) To approve purchase, sale and / or pledge of government and trustee securities and other approved securities on behalf of the Bank and to delegate jointly to any one of the directors and the Chief Executive Officer, power for the purpose or purchase, sale and / or pledge as the case may be.
- (x) To consider proposals for opening branches.
- (xi) To fix the rate of interest on loans and deposits as per directives issued by the Reserve Bank of India from time to time.
- (xii) To refer any dispute by or against the Bank to the Registrar or to any other officer duly appointed for this purpose.
- (xiii) To institute, defend, conduct, compromise, abandon or withdraw any legal proceedings by or against the Bank, or the board or its officers or employees.
- (xiv) To approve appointment of brokers and agents and fix their remuneration.
- (xv) To consider proposals for creating posts of officers and junior and other staff on the Bank's establishment and to frame rules prescribing the procedure for filling the vacancies either by direct recruitment or by promotion from the existing members of staff and fix their qualifications, pay and other allowances.
- (xvi) To appoint a Chief Executive Officer for efficient conduct of the Bank's business and to fix his remuneration and to frame rules governing the disciplinary action against the erring employees, including the Chief Executive Officer of the Bank.
- (xvii) To appoint a staff committee every year consisting of the Chairman the Chief Executive Officer and 3 other directors for disposal of all matters concerning the paid staff of the Bank such as selection, appointment, promotions, training, disciplinary action and punishments as per Service Rules for the Employees framed/approved under section 135 of DCS Act, 2003 and to delegate any

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- such power to any officer of the Bank as it may deem fit for smooth functioning of the Bank.
- (xviii) To consider payment of compensations, advance rent or long term advances with or without security for the purpose of securing premises for the Bank's office on lease or tenancy basis.
 - (xix) To prepare annual budget estimates within which the Chief Executive Officer may incur expenditure for proper and efficient working of the Bank.
 - (xx) To accept deposits of all kinds and types.
 - (xxi)(a) The Board of Directors may appoint a Sub-Committee or Committees and a Branch Committee or Committees consisting of not more than 5 directors including Chairman and delegate to any such committee such powers as it may deem fit for the smooth functioning of the Bank. the Chairman of the Board of Directors shall be the Chairman and Chief Executive Officer shall be the ex-officio member of such committee of committees appointed by the board.
 - (b) To appoint Board of Management (BoM) as directed by the Reserve Bank of India comprising of minimum 5 members for disposal of all matters concerning investment, loan/advances, recovery, NPA management & audit. Members to be nominated will be as per criteria laid down by Reserve Bank of India. Meeting of Board of Management will be called by Chief Executive Officer of his representative not below the rank of General Manager. Instruction/guidelines issued by RBI from time regarding formation and working of Board of Management will be followed. Constitution of Board of Management will be optional if deposits of Bank are less than Rs. 100 crores.
 - (xxii) To arrange for election of directors of the board.
 - (xxiii) To open Banking accounts, with any Bank for financial institution and to authorize officers of the Bank to deal with the same.
 - (xxiv) To fill, by cooption, casual vacancies occurring in the Board of Directors and also to co-opt expert directors.
 - (xxv) To secure membership of or affiliation to appropriate institutions.
 - (xxvi) To establish and support the provident fund scheme for the benefit of the staff.
 - (xxvii) To nominate representatives of the Bank on the various committees, General Body Meetings whenever necessary, and for attending conferences, seminars etc.
 - (xxviii) To make, alter, rescind, or abrogate the rules from time to time regarding the following:
 - (a) Deposits or Loan of all kind and types including service charges and rate of interest payable or chargeable.
 - (b) Travelling/Meeting allowance of directors and salaried staff.
 - (c) Provident Fund, Bonus and Gratuity.
 - (d) Service Rules.
 - (e) Election Rules: The approval of General Body shall be obtained in respect of election rules.
 - (xxix) To perform all acts connected with the administration of the Bank and undertake all activities and business in furtherance of the aims and objects of the Bank.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

38. All acts done in good faith by the Board of Directors or any person acting as a member of the board shall notwithstanding that it is afterwards discovered that there was some defect in the appointment of such Board or person be as valid as if the board or every such person has been duly appointed.

39. MINUTES

The Minutes of the meetings of the Board of Directors, the Committees or Sub-Committees shall be recorded in the Minute Book, the pages of which shall be duly numbered. The Minutes shall be signed by the Chairman of the meeting and the Chief Executive Officer and other directors present in terms of the Delhi Cooperative Societies Rule 60 of Rules 2007.

40. CHAIRMAN

The powers and duties of the Chairman shall be as under:

- (i) To preside over the General Meeting, meeting of the Board of Directors, Sub Committee Meetings and Meetings of any other Committee.
- (ii) To supervise the general working of the Bank.

41. CHIEF EXECUTIVE OFFICER

The powers and the duties of Chief Executive Officer, who will be responsible to the Board of Directors, will be as under:

- (i) To take actions on the resolutions and the decisions by the General Body and Board of Directors & other committee/sub-committee constituted by the Board.
- (ii) To convene the meetings of the General Body, Board of Directors, Sub-Committees, Staff Committee or any other committee and to attend and to record the minutes of all meetings in the Minute Book and to countersign the same along with the Chairman of the Meeting.
- (iii) To conduct correspondence on behalf of the Bank.
- (iv) To maintain all books of account, registers and ledgers as may be prescribed under the Co-operative Societies Act and Rules and bye laws and RBI directives / instructions.
- (v) To receive applications for membership of the Bank and for additional shares and place them before the Board of Directors with his report and recommendations.
- (vi) To receive application for enrolment of nominal members and pass orders thereon.
- (vii) To receive applications for loans and place them for consideration before the Board of Directors together with a detailed report containing his specific comments / recommendations.
- (viii) To accept deposits of all kinds and types and to arrange for issue of receipts, statements and pass books.
- (ix) To disburse monies on behalf of the Bank.
- (x) To be the custodian of cash on hand, property both movable and immovable, documents, securities and bonds.
- (xi) To seek orders from staff committee for appointment of staff / subordinate to him within the sanctioned strength, on such scales of pay and allowances as may have been sanctioned by the Board of Directors from time to time.
- (xii) To allot work amongst the Bank's staff and supervise their work.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

- (xiii) To take disciplinary action against the Bank's staff in accordance with the Service Rules.
- (xiv) To issue orders of transfer of staff whenever necessary.
- (xv) To pass orders on leave applications, travelling allowance bills, medical bills and other permissible bills of the staff.
- (xvi) To incur expenditures within the budget approved by the Board of Directors.
- (xvii) To arrange for investments of monies in accordance with the Board's Policy and to report the same to the Board of Directors in their next meeting.
- (xviii) To exercise such other powers and discharge such other duties as may be delegated or entrusted to him by the Board of Directors or by the Chairman.
- (xix) To sanction loans upto the amount as delegated by the Board of Directors to Chief Executive Officer or any other Officer of the Bank. He shall however, place a statement of such loans sanctioned before the next meeting of Board of Directors.

42. LINKING OF SHAREHOLDING WITH LOAN LIMITS

- (a) A borrower should hold 5 percent to his borrowings if such borrowings are on unsecured basis, i.e. in the form of clean overdrafts, loans against on or two personal sureties and purchase / discount of clean bills and Cheques.
- (b) A borrower against tangible securities should hold shares of the Bank to the extent of at least 2-1/2 percent of his borrowings from the Bank.
- (c) Any change in the ratio of share holding to borrowings shall be subject to the directives / instructions issued by the Reserve Bank of India from time to time.

43. DEPOSITS

- (i) Deposits may be received at any time within the limits determined under the Cooperative Societies Act and Rules, on such rates of interest and subject to such rules and regulations as may be fixed by the Board of Directors and also subject to the directives issued by the Reserve Bank of India in this behalf from time to time.
- (ii) Deposits may be received on current, Savings, fixed, recurring, cumulative and under any other special schemes.

44. APPROPRIATION OF PROFITS

- (i) The net profit of the Bank shall be calculated as per the provisions of the Delhi Cooperative Societies Act & Rules.
- (ii) The General Body on the recommendations of the Board of Directors may appropriate the net profit as under:
 - (a) To carry not less than 25 percent to the Statutory Reserve Fund or such other higher proportion as is prescribed under the Cooperative Societies Act / Rules.
 - (b) To carry not less than 2.5% percent to bad debts reserve.
 - (c) To carry not more than 1% percent to Charity Fund.
 - (d) To pay to shareholder member's dividend not exceeding maximum as permitted under the Cooperative Societies Act / Rules.
 - (e) To carry to the building fund, dividend equalization fund and any other fund created by the Bank such amounts as per the directions of the General Body Meeting. The balance, if any, after appropriation as above shall be carried over to the next year.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

45. RESERVE FUND

- (i) In addition to the sum prescribed under the Cooperative Societies Act and byelaws, all admission fees, entrance fee, nominal membership fees, amount of forfeited shares and dividends and donations shall be carried to the Reserve Fund.
- (ii) Any loss occurring as the net result of the year's working may with the previous sanction of the Registrar be made good from the reserve fund or from the profits of the next ensuing year or years.
- (iii) The Reserve Fund shall be separately invested in Govt. and trustee securities or other approved securities or in fixed deposits with the State Cooperative Bank.

46. DIVIDEND

- (i) The dividend declared shall be paid to the person whose name stands as the registered shareholder in the books of the Bank on the last day of the cooperative year to which the dividend relates.
- (ii) Dividend shall be proportionate to the amount paid on shares and the period in whole months for which the amount stood to the credit of the shareholder.
- (iii) Dividend shall be payable at par at the Bank's Head Office as well as the branches.
- (iv) Any dividend remaining un-drawn for three years after having been declared shall be forfeited and shall be carried to the Reserve Fund of the Bank.
- (v) Unpaid dividend shall be payable on application provided the same has not been forfeited.

47. ACCOUNTS AND RECORDS

Accounts and records shall be maintained in forms prescribed or approved by the Registrar and the Reserve Bank of India with such additions as the Board of Directors consider necessary. Any member of the Bank may inspect any of the registers or records during office hours in so far as they relate to his own business transactions.

48. AUDIT

The accounts of the Bank shall be audited by an auditor appointed by the Registrar or the Bank.

49. SEAL

The Bank shall have a common seal, which remain in the custody of the Chief Executive Officer and shall be affixed in the presence of a Director and the Chief Executive Officer as per a specific resolution of the Board of Directors.

50. AMENDMENT TO BYE-LAWS

- (a) None of these bye-laws shall be added to, amended, altered or rescinded, except by a vote of the majority consisting of not less than two-thirds of the members present and voting at a General Meeting.
- (b) Any additions, amendment, alteration or recession resolved upon at such meeting shall take effect from the date of receipt of the Registrar's approval in writing.

JAIN CO-OPERATIVE BANK LTD.
80, DARYA GANJ, NEW DELHI-110002

Bye-Laws of the JAIN CO-OPERATIVE BANK LTD. Applicable w.e.f. 10.11.2021

51. Notwithstanding anything contained in these bye-laws, if any of the provisions is in conflict or violative of the provisions of the Delhi Cooperative Societies Act and the Rules framed thereunder, the latter will prevail.
