

**The Citizen Co-op. Bank Ltd.**  
**Regd & H.O. : Lakshdeep Apts.**  
**Vasco-da-Gama, Goa.**

**PROPOSED AMENDMENTS TO THE BYE-LAWS:**

Sr. No.	No. of existing Byelaw	The Exact Wording of the existing Byelaw	Byelaw as it would read after amendment	In case of insertion of new bye-law		Reason why amendment/insertion of new bye-law is necessary
				Bye-law No.	Exact Wording	
1				39 A.	<p><b>BOARD OF MANAGEMENT:</b></p> <p><b>1. Constitution of Board of Management (BoM)</b>            1.1. There shall be a Board of Management (BoM) in addition to the Board of Directors. BoM shall be constituted by the Board of Directors (BoD) of the bank.</p> <p><b>2. Functions of Board of Management (BoM)</b>            The Board of Management shall exercise oversight over the banking related functions of the bank, assist the Board of Directors on formulation of the policy and any other related matters specifically delegated to it by the Board for proper functioning of the Bank. The functions of the Board of Management shall include the following:</p> <ul style="list-style-type: none"> <li>i) Rendering expert advice on all proposals being put up to the Board or any Committee of the Board for sanction of loans.</li> <li>ii) Recommending action for recovery of NPAs, One Time Settlement or Compromise Settlement and assisting the Board in monitoring the same.</li> <li>iii) Overseeing the Management of funds and borrowings in the Bank.</li> <li>iv) Recommending proposals for investment of Bank's funds as per the Board approved policy.</li> <li>v) Oversight on internal controls and systems and risk management in the Bank.</li> <li>vi) Exercising oversight on implementation of computerization, technology adoption and other incidental issues in the bank.</li> <li>vii) Overseeing internal audit and inspection functions including compliance.</li> <li>viii) Oversight on complaint redressal system.</li> </ul>	<p>As per RBI Circular No. RBI/2019-20/128 DoR(PCB).BPD. Cir.No. 8/12.05.002/2019 -20 dated December 31, 2019 on Constitution of Board of Management (BoM) in Primary (Urban) Co.op. Banks (UCBs)</p>

ix) Assisting the Board in formulation of policies related to banking functions, illustratively loan policy, investment policy, recovery policy, ALM and Risk management, etc to ensure that policies are in tune with RBI Guidelines.

x) Any other responsibility as may be delegated to it by the Board of Directors.

NB. In the event where the Board of Directors differs with the recommendations of Board of Management, it shall do so by recording, in writing, the reason thereof.

### **3. Size of Board of Management (BoM)**

The Board of Management (excluding CEO) shall have a minimum of five members. The maximum number of members in Board of Management shall not exceed six. The CEO would be a non-voting member.

### **4. Qualifications of Members of Board of Management (BoM)**

i) All the members of Board of Management shall consist of persons having special knowledge or practical experience in respect of one or more of the following matters, namely: -

- a) Accountancy
- b) Agriculture and Rural Economy
- c) Banking
- d) Co-operation
- e) Economics
- f) Finance
- g) Law
- h) Small Scale Industry

i) Information Technology

j) Any other subject, which would, in opinion of the Reserve Bank, be useful to the Bank.

ii) The members of Board of Management shall at all times satisfy the "Fit and Proper" Criteria as per the Guidelines fixed by Reserve Bank of India.

iii) Members of the Board of Management may be drawn from the members of the Board of Directors provided they meet the criteria specified. However, not more than 50% of the Board of Management members shall be from Board of Directors. Under all circumstances, Board of Management shall have atleast two members from outside the Board of Directors.

iv) A member of Board of Management can be appointed in more than one bank, subject to a maximum of three, provided that there is no overlapping in area of operation.

v) Any disqualification prescribed for member of a Board of Directors under respective Co-operative Societies Act will also apply to a member of a Board of Management.

				<p><b>5. Meetings of Board of Management</b></p>	
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Board of Management may hold meetings at such periodicity as deemed necessary. The Chairman of the Board of Management may be elected by the members of Board of Management from amongst themselves or appointed by the Board of Directors. Under no circumstances the Chairman of the Board of Directors shall be appointed as Chairman of the Board of Management and the bank shall maintain proper record of the minutes of the meeting and same shall be put up to the Board of Directors. The quorum for the meeting shall be two third of the total members of the Board of Management.

**6. Sitting Fees**

Members of the Board of Management may be paid allowance/sitting fees for their services on such scale as may be fixed by the Board from time to time.

**7. Tenure of Board of Management**

The Tenure of Board of Management shall be co-terminus with the tenure of Board of Directors.