



# **MEMORANDUM & ARTICLES OF ASSOCIATION**

**Wool & Woollens Export Promotion Council  
(Ministry of Textiles, Govt. of India)**

**Head Office**

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New Delhi-110001 (India).**

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**Website: [www.wwepcindia.com](http://www.wwepcindia.com)**



No. 23

**Certificate of Registration**

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The Societies Registration Act, 1860  
(Act XXI of 1860)

MAHARASHTRA STATE

Registration No. BOM-114/1964 GB-85D

It is hereby certified that " WOOL & WOOLLENS EXPORT PROMOTION COUNCIL " has this day been duly registered under the Societies Registration Act, XXI of 1860.

Given under my hand this  
6th day of October. 1964.

sd/-

Assistant Registrar of Societies,  
Gr. Bombay Region.

Seal of  
State Bank of India  
Bombay  
No. 102/95  
Dt. 9-4-65

Seal of  
Assistant Registrar of Societies,  
Gr. Bombay Region.

**MEMORANDUM OF ASSOCIATION  
OF  
WOOL & WOOLLENS EXPORT PROMOTION COUNCIL**

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- 1) The name of the Council shall be "Wool & Woollens Export Promotion Council ".
- 2) The Registered Office of the Council shall be situated in the Union Territory of Delhi.
- 3) The objects for which the Council is established and which shall extend to every country in the world are:
  - (i) To support, protect, maintain, increase and promote the export of Wool & Woollen manufacturers and Acrylic Knitwear manufacturers by such methods as may be necessary or expedient and without prejudice to the generality of the premises by:
    - (a) Undertaking Market Studies in individual foreign countries regularly as well as on adhoc basis.
    - (b) Sending out Trade Missions to foreign countries.
    - (c) Appointing representatives, agents or correspondents in foreign markets for the purpose of continuously and regularly reporting the prices, market preferences, reception accorded to actual deliveries of Wool & Woollen manufacturers and Acrylic Knitwear manufacturers and other connected matters.
    - (d) Conducting propaganda regularly and continuously so as to bring to the notice of the dealers and the Public in foreign countries the advantage of trade and commerce with India in Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
    - (e) Collecting statistics and other information regarding the manufacture or trade in Wool & Woollen manufacturers and Acrylic Knitwear manufacturers in various countries.
    - (f) Propagating information useful to the manufacturer and trader in Wool & Woollen manufactures and Acrylic Knitwear manufacturers by lectures, discussions, books, correspondence or otherwise.
    - (g) Laying down standards of quality and packing in respect of Wool & Woollen manufacturers and Acrylic Knitwear manufacturers intended for export.
    - (h) Maintaining liaison with any organization which may be set up for inspection of Wool & Woollen manufactures and Acrylic Knitwear manufacturers intended for export.
    - (i) Deputing the Officers of the Council to witness the survey of Wool & Woollen manufacturers and Acrylic Knitwear manufacturers exported or intended for export in foreign countries or in India as a result of any dispute or difference between the parties to a contract for sale and purchase of Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
    - (j) Inquiring and investigating into complaints received from foreign importers or Indian exporters in respect of the quality description or other particulars of Wool & Woollen manufactures and Acrylic Knitwear manufacturers exported from India or the non-performance or non-observance of the terms and conditions of contract relating to such exports and other connected matters and advising the manufacturer or exporters of Wool and Acrylic by the willful or negligent act or acts of the manufacturer or the exporter of the manufacturers, as the case may be.

- (k) Making recommendations as may be necessary or expedient to Government and Public Bodies like Chamber of Commerce where the Council on investigation of a complaint received by it is satisfied about its genuineness and is convinced that it has been caused by the willful or negligent acts of the manufacturer or exporter of the manufacturers, as the case may be.
- (l) Acting as arbitrators or nominating arbitrators or valuers in the settlement of disputes and differences arising out of the transactions relating to the exports of Wool & Woollen manufactures and Acrylic Knitwear manufacturers between parties who agree to refer their disputes to the Council, and
- (m) Communicating with Chambers of Commerce and other Mercantile and Public Bodies throughout India and abroad and promote measures for the protection and advancement of the export of Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
- (ii) To enunciate just and equitable principles to govern the export trade in Wool & Woollen manufacture and Acrylic Knitwear manufacturers and to set up a code or codes of practices for the general guidance of exporters and manufacturers and further to simplify transactions relating to the export of Wool & Woollen and Acrylic manufacturers.
- (iii) To keep inconstant communication with Chamber of Commerce and other Mercantile and Public Bodies throughout the world with a view to taking appropriate and necessary measures for maintaining or increasing the export of Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
- (iv) To advice or represent to Government, local authorities and Public Bodies on the policies adopted by them in relation to their effect on Industry or Commerce and other measures including direct and indirect taxation in so far as such Policies or measures have bearing directly or otherwise on the export of Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
- (v) To purchase hire or otherwise acquire and maintain suitable building, apartments, furniture and other fitting in any country for the establishment of showrooms, export of other agencies for publicity for the purpose of achieving any of the object for which the Council is established.
- (vi) To establish and maintain museums, collections, libraries and compilations of literature and to translate, compile, collect, publish, lend, purchase or sell any literature connected with the Trade and Commerce relating to Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
- (vii) To prepare, edit, print, publish, issue, acquire and circulate books, papers, periodicals, gazette, circulars and other literature treating or bearing upon Industry, Trade or Commerce pertaining to Wool & Woollen manufactures and Acrylic Knitwear manufacturers.
- (viii) To acquire, purchase or take on lease lands, buildings, or other moveable property which the Council may from time to time deem it necessary to acquire, purchase or take on lease.
- (ix) To sell, improve, manage develop exchange, loan sub-let, mortgage , dispose of, turn to account or otherwise deal with all or any part of the property of the Council.
- (x) To enter into contracts.

- (xi) To draw, make, accept, endorse, discount and execute negotiable instruments.
- (xii) To invest the monies of the Council in any bank approved in this behalf by the Government.
- (xiii) To subscribe or become a member of and co-operate with any other Council whether incorporated or not.
- (xiv) To closely liaison with all agencies looking after production of Wool & Woollen products and Acrylic Knitwear in India so as to increase production of various commodities having export potential.
- (xv) To concern themselves with planning for export production and study the necessary data inputs relevant to production, such as raw materials, technology etc. to suggest measures for upgrading technology in the respective fields, wherever considered necessary.
- (xvi) To do all such other acts as may be conducive for the maintenance and increase of the export and trade and commerce in Wool & Woollen and Acrylic Knitwear manufacturers or invincible to the attainment of the above objects or any of them.
- (xvii) To obtain from members of the Council and to prepare for the Council as a whole, Action Plans for promotion of exports, development of export markets, generation of production for exports, setting of export targets generally and in relation to specific countries and commodities on an annual basis and for such medium and longer terms as may be considered desirable and to ensure/undertake execution of such plans.

Provided that the Council shall not support or impose any regulations or restrictions which if any object of the Council would make it a trade union.

4. The income and property of the Council whensoever derived shall be applied solely towards the promotion of the objects of the Council as set forth in this Memorandum and no portion thereof shall be paid or transferred directly or indirectly by way of dividend or loan or otherwise howsoever by way of profit to persons, who at any time are or who have been members of this Council or to any of them or to any person claiming through any of them; provided that nothing herein contained shall prevent the payment, in good faith of remuneration to any officers other than members, or servants of the Council or other persons in return for any services actually rendered to the Council.
5. Any addition, alteration, modification or removal of any clause in the Memorandum and Articles of Association or dissolution of the Council shall not be made except by a special resolution passed by Council in General Meeting by not less than 2/3 of the members of the Council entitled to vote in the General Meeting, and with the consent of the Government, provided that no such addition, alteration or modification or removal nor such dissolution shall be affected or acted upon unless and until the written concurrence of the Government is received by the Council.
6. Every member of the Council other than the Official of Government undertakes to contribute to the assets of the Council, in the event of the same being wound up while he is a member or within one year after he ceases to be a member, for payment of the debits and liabilities of the Council contracted before he ceases to be a member and of the costs charges and expanses of winding up and for the adjustment of the rights of the contributories amongst themselves such amount as may be required not exceeding Rs. 100/-.

Names, addresses and occupation of the Members of the Governing Council, to whom, by the rules of the Society, the management of the affairs is entrusted:

	<b>NAME</b>	<b>OCCUPATION</b>	<b>ADDRESS</b>
1	Sh. R.K Seth	Businessman	Simplex Woollens Mills, Sadhana Rayon House, Dadabhoy Naoroji Road, BOMBAY-1
2	Sh. L.P. Pittie	Businessman	Bombay Woollen Mills Pvt. Ltd. 20, Hamam Street, BOMBAY-1
3	Sh. T.N. Khaitan	Businessman	Dhruva Woollen Mills Pvt. Ltd. New Sun Mills Compound, Lower Parel, BOMBAY-13
4	Sh. K.M. Grover	Businessman	Modella Woollen Mills 4-C, Vulcan Insc. Bldg. Weer Nariman Road BOMBAY-1
5	Sh. T.K. Nagpal	Businessman	Nagpal Woollen Mills Old Atlas Mills Compound, Reay Road BOMBAY-10
6	Sh. Raj Bhadur Sh. Kanwar Rajnath	Businessman	Ahmed Woollen Mills, Karim Building, 56, Mohammedali Road BOMBAY-3
7	Sh. G.K. Singhanian	Businessman	Chairman, The Raymond Woollen Mills Ltd. J.K. Bldg., Dougall Road, Ballard Estate, BOMBAY-1
8	Sh. R.K. Birla	Businessman	Chairman, Shree Digvijaya Woollens Mills Ltd. Aerodrome Road, Jamnagar
9 & 10	Vacant	---	---

We the following persons subscribe our names to the above Memorandum of Association and are desirous being formed into an Association in pursuance of this Memorandum of Association:

	<b>Signatures</b>	<b>Names</b>	<b>Address &amp; Descriptions of Subscribes</b>
1		R.K Seth	Simplex Woollens Mills, Sadhana Rayon House, Dadabhoy Naoroji Road, BOMBAY-1
2		Sh. L.P. Pittie	Bombay Woollen Mills Pvt. Ltd. 20, Hamam Street, BOMBAY-1
3		Sh. T.N. Khaitan	Dhruva Woollen Mills Pvt. Ltd. New Sun Mills Compound, Lower Parel, BOMBAY-13
4		Sh. K.M. Grover	Modella Woollen Mills 4-C, Vulcan Insc. Bldg. Weer Nariman Road BOMBAY-1
5		Sh. T.K. Nagpal	Nagpal Woollen Mills Old Atlas Mills Compound, Reay Road BOMBAY-10
6		Sh. Raj Bhadur Sh. Kanwar Rajnath	Ahmed Woollen Mills, Karim Building, 56, Mohammedali Road BOMBAY-3
7		Sh. G.K. Singhania	Chairman, The Raymond Woollen Mills Ltd. J.K. Bldg., Dougall Road, Ballard Estate, BOMBAY-1
8		Sh. R.K. Birla	Chairman, Shree Digvijaya Woollens Mills Ltd. Aerodrome Road, Jamnagar



**ARTICLES OF ASSOCIATION  
OF  
WOOLL & WOOLLENS EXPORT PROMOTION COUNCIL  
NEW DELHI**

1. In these Articles unless there is something in the subject or context inconsistent therewith

"Council" means the Council called "Wool & Woollens Export Promotion Council"

"Member" means member of the Council for the time being, whose name is entered in the register of members of the Council.

"General Meeting" means the General Meeting of the Council.

"Chairman" means the Chairman of the Council for the time being.

"Vice-Chairman" means the Vice-Chairman of the Council for the time being.

"Committee" means the Committee of Administration of the Council for the time being constituted under these Articles.

"Rules" means the rules of the Council for the time being in force made under or in pursuance of these Articles for the time being or by virtue of any enactment.

"Annual General Meeting" means a General Meeting of the Members of the Council held in accordance with these Articles.

"Extraordinary General Meeting" means an Extraordinary General Meeting of the members of the Council duly called and constituted and any adjourned holding thereof.

"Month" means calendar month.

"Office" means the registered Office for the time being of the Council.

"Secretary" means the Secretary of the Council for the time being and includes any person acting such or appointed to perform the duties of the Secretary temporarily.

"Government" means the Union or State Government as the case may be.

"Year" means the financial year April 1<sup>st</sup> to March 31<sup>st</sup>.

"Election Authority" means a "Returning Officer" nominated as such by the Central Government or in case no returning officer is nominated, the Executive Director Cum Secretary of the Council or an Officer appointed by the Committee of Administration, as the case may be, to function as Returning Officer for the election under these rules.

"Sub-Committee" means the Sub-Committee for a section of Wool & Woollens Industry and Acrylic Knitwear Industry and Trade for the time being constituted by the Committee of Administration under these Articles.

"Competent Authority, A Committee constituted by Committee of Administration consisting of Chairman, Vice-Chairman, two Members of Committee of Administration and a Government Nominee. Secretary of the Council will be Member Secretary.

"Arbitration Panel "Arbitration Panel constituted by Chairman consisting of 3 Committee Members Chairman will head the Panel.



## **MEMBERS**

2. At the time of adoption of these Articles, the Council consisted of the following members viz.
1. Shri R. K. Seth
  2. Shri L. P. Pittie
  3. Shri T. N. Khaitan
  4. Shri K. M. Grover
  5. Shri T. K. Nagpal
  6. Shri Rai Bhadur  
Shri Kanwar Rajnath
  7. Shri G. K. Singhania
  8. Shri R.K. Birla
3. The Council may from time to time frame such rules and regulations and/or Bye-Laws:
- (a) As may be necessary generally for admission of members to the Council who shall be persons, firms, joint stock companies or other corporations engaged in the manufacture, production, processing, conversion, purchase or sale of wool and/or woollen manufacturers & acrylic Knitwear manufacturers for export or representatives of such firms, joint stock companies or corporations interested in the export of wool and/or woollen manufactures & Acrylic Knitwear manufacturers and further to determine the representation to the Council to be granted to industrial, commercial or public bodies and specifying the period for which they shall be continued as members.
  - (b) For the composition of the Committee of Administration providing equitable representation of the different categories of members and to provide for election, co-option, nomination and appointment thereon.
  - (c) For making provision for classification of the different categories of members of the Council and in particular, for providing for the rights and privileges of (i) Council members and (ii) Associate members (iii) Council members inter se (iv) Association members inter se (v) Council members and Associate members inter alia.
  - (d) "Under and in conformity with any statutory provisions for the time being in force, as may be considered in the interest of or conducive to the objects of the Council and the Council may at any time or from time to time rescind or alter or add to any such rules, regulations and/or byelaws and no recession or alteration or addition to any rules and regulations and/or byelaws shall be enforced and effective unless and until such alteration addition or rescission is passed by a special resolution in General Meeting by not less than 2/3rd of the members of the Council or fifty whichever is less, present in person or by proxy and entitled to vote in General Meeting, and with the consent of the Government, provided that such addition, alteration or modification or removal shall not be affected or acted upon unless and until the written concurrence of the Government is received by the Council".
  - (e) To frame Election Rules for election of Elected Heads and members of Committee of Administration.
4. The member of the Council will be those having export turnover of Rs. 1 lakh and above of the items coming under the purview of the Council in any one year of the previous three years. However, in the case of raw wool exporters, spinners, combbers and exporters of any other woollen product on the export of which Government have imposed restriction or might impose restrictions, there shall be no minimum export turnover condition for the membership of the Council.
- 4A. Besides the members any person, firm, company or society engaged in the trade, commerce and industry or any institution connected with woollen industry interested in the

aims and objects of the Council, may become Associate Member of the Council with such rights as referred to in the Articles.

5. The Council may grant registration to any person, firm, joint stock company or HUF or other corporations engaged in the production, manufacture, processing, conversion, purchase or sale of wool and/or woollen manufactures and acrylic knitwear manufactures for export or any persons or bodies otherwise interested in the export of wool and woollen manufactures and acrylic knitwear manufactures on payment of such registration, annual and other charges if any, so prescribed by the Committee of Administration.
6. All applications for future membership shall be proposed and seconded in writing by a member of the council and their application so proposed and seconded shall be sent to the Secretary of the Council together with a demand draft for the prescribed entrance fee and annual fee and other charges, if any, so prescribed by the Committee of Administration.

The application for membership shall be made in the format given in the Foreign Trade Policy announced by the Government from time to time.

All applications for membership shall also state whether the applicants are manufacturers or exporters or otherwise interested in the export of woollen and acrylic knitwear goods. While admitting a member, the Committee shall not be bound by the statement made in the application and may in its sole discretion enroll such member in the category which the Committee decides.

In the event of the applicant being a firm or a company the name and address of the person nominated by the applicant as its representative shall be given.

7. On receipt of any application, Secretary of the Council shall submit the same to the Committee at its next meeting or to any Sub-Committee appointed by it for the purpose of consideration and approval. The Committee shall proceed to decide whether such applicant should be admitted to membership or not. The decision of the Committee for this purpose shall be obtained by voting of ballot or by such other method as the Committee may prescribe or may adopt from time to time. The decision of Committee shall be final and binding on all concerned and shall not be questioned by any person.

The committee shall have power to accept or reject any application or impose such conditions for grant of membership, as it thinks fit and proper. Provided, in case, any such facts are brought to the notice of the Committee subsequently, that its decision was wrong and such facts are apparent on the face of record, the Committee may review its order and pass such other order as the Committee may deem fit and proper.

8. If the Committee accept any application, the Secretary shall notify the applicant of such approval and there upon the applicant shall immediately become a member subject to the following conditions :
  - (a) That the member shall be paying annual fees, in the month of April of each financial year or during such extended time as may be prescribed and/or decided by the Committee.
  - (b) That the member shall follow the rules and regulations laid down in the Memorandum and Articles of Association of the Council and abide by the decision of the Committee of Administration of the Council.
  - (c) That the member shall pay all dues including Council charges as per the time schedule prescribed by the Council
  - (d) That the member shall submit export returns in the first fortnight of each following months.
  - (e) That the member shall not violate conditions of the ITC policy and foreign exchange regulations and any provisions of law relating to import or export.

- (f) That the complaint of any foreign party shall be brought to the notice of the Council immediately and the same shall be settled on priority basis. The Council shall be apprised of the action taken from time to time.
- (g) In the case of failure of member to settle complaints of foreign buyer the member shall abide by the decision of the Arbitration Panel. Thereafter, if required, decision of the Arbitration Panel or any other decision having force of law will be placed before the Committee for final consideration.
- (h) In the event of any advice received from Government of India or any other Export Promotion Organizations set up by Government of India the Council shall take action as per such advice,
9. If the Committee rejects any application, the Secretary shall notify the applicant of such rejection. If the rejected applicant applies again within one year of the date of rejection, the Committee shall not be bound to consider or decide upon his application.
10. On any applicant being admitted to membership as aforesaid he shall be entitled to be furnished with a copy of the Articles of Association of the Council for the time being in force on payment of Rs. 100/- per copy.
11. Any member wishing to resign from the Council shall give to the Secretary two calendar months' time in writing of his intention to resign and until such notice is given and until the expiry thereof he shall be deemed to continue to be a member and shall be liable to pay his annual fees and all other dues, if any, to the Council. No fees shall be refunded to a member resigning as aforesaid such resignation shall also not affect any liability of the member to contribute to the assets of the Council as provided in the Memorandum of Association. Notwithstanding anything to the contrary contained hereinabove, the Committee may refuse to accept the resignation. If a member unless and until all arrears of subscription and any other sums which may be due by the member to the Council have been paid.
12. Apart from and without prejudices to any other rights and privileges conferred on Council members either by the Memorandum of Association or by these Articles, Council Members shall have the following rights and privileges.
- (a) To stand for and vote for in their respective categories for election of members of the Committee.
  - (b) The right of requisition as mentioned hereinafter to call meeting of the Council.
  - (c) The right to receive the Annual Report of the Committee.
  - (d) The right to receive publications of the Council on terms fixed by the Committee from time to time.
  - (e) The right to use all such facilities as may be made available to such members from time to time on condition laid down by the Committee.
13. Apart from and without prejudice to any other rights conferred on Associate members either by the Memorandum and Articles of Association of the Council, Associate members shall have the following rights and privileges.
- (a) The right to attend General Meeting and to cast vote on all resolutions except in case of resolutions seeking election of members to the Committee of Administration.
  - (b) The right to receive the Annual Report of the Council subject to such regulations as the Committee may make from time to time.
  - (c) The right to receive publications of the Council on terms and conditions fixed by the Committee, and
  - (d) The right to use all such facilities as may be made available to such members from time to time on the conditions laid down by the Committee.

## **MEMBERSHIP SUBSCRIPTION**

14. All members other than Government Representatives shall pay such admission fee and subscription as may be fixed by the Council from time to time.
15. Until otherwise determined by the Committee the annual subscription of all members shall be payable in advance yearly on or before the thirtieth day of April in each and every year irrespective of the month in which the individual member were first admitted to membership.
  - (a) The application for membership of the Council shall be accompanied by a crossed Bank Draft for Rs. 1000/- in favour of the Council as Entrance Fee together with the Annual Subscription as applicable irrespective of the period in which the application is received by the Council.
  - (b) The membership Subscription per annum shall be Rs.2000/- for members other than Merchant Exporters, Composite Units, Spinners, Combers, Machine Made Carpet Manufacturers and Shoddy Units and Rs.5000/- for Composite Units, Spinners, Combers, Machine Made Carpet Manufacturers and Shoddy Units and for Merchant Exporters Rs.2500/-, Annual Subscription for Associate Members will be Rs.1500/- per year.
16. Any member who has omitted to pay his subscription for the year as aforesaid shall be notified by the Secretary of the fact after the subscription has fallen due by a letter addressed to last known address of such member and failing payment within one month from the date of such letter the Committee may at any time thereafter remove the name of the defaulting member from the register of members and such removal shall be notified to the members who shall there upon cease to be a member but shall nevertheless, be liable for payment of any arrears of subscription including the subscription for the current year. The Committee may also restore the name of such member at any subsequent stage, on the member paying arrears of subscription and other dues and satisfying the Committee that there are/were sufficient cause for non-payment of dues in time and in such cases the Committee shall have the power to require such member to pay such entrance Fee if it considers desirable.
17. Notwithstanding anything contained in these articles if a member fails to pay Annual Subscription and Council Charges and any other dues by the thirtieth day of June in each year or in such extended time as the Committee decides such members shall not be entitled to exercise any rights and privileges as a member until he pays all arrears to the Council.

## **REGISTER OF MEMBERS**

18. The Council shall keep a register of its members in which shall be set forth the names and addresses of the members for the time being, and all changes in membership taking place from time to time shall be recorded.
19. Every member shall promptly notify the Council in writing of any change affecting any of the entries in the register. Where there is any change in the ownership, constitution, name or address of the member, it shall be obligatory on part of members to intimate the change to the Council within 3 months or during such period as may be notified in the Foreign Trade Policy from time to time.
20. (a) Any firm which is a member of the Council shall be represented by one of its partners to act as its representative at any meeting of the Council.

- (b) Any Joint Stock Company or other Corporation which is a member of this Council shall by a Resolution of its Directors or any person in the position of Directors authorize any of the Directors or any person in the position of Directors to act as a representative at any meeting of the Council.
- (c) The person so authorised as aforesaid shall thereupon be entitled to exercise the same rights and power on behalf of the member whom he represents as if he were an individual member of the Council of the same class as the Firm, Company or Corporation. Any such authority shall be effective only expiration of 7 days from the date on which it is lodged with Council.
- (d) In the absence of any such authority in the case of any firm, any one partner whose name has been registered in the records of the Council shall be entitled to act as a representative of the firm at any meeting of the Council.

### **OFFICERS**

21. There shall be a Committee of Administration of the Council comprising of 30 members detailed hereunder:

- (a) 22 Elected Members from among the members including Chairman and Vice-Chairman as per category-wise break up given below:

Composite Units	4	Hosiery Mfrs. including Jersey Fabrics Mfrs.	
Spinners	2	i) RCA	5
Shoddy Mfrs.	1	ii) GCA	4
Combers	1	iii) Southern Knitwear Region	1
Machine Made Carpet	1	Powerloom	1
Merchant Exporter	1	Shawl Mfrs.	1
<b>Total</b>			<b>22</b>

- (b) In addition to the above 22 members there shall be 4 members nominated by Government on Committee of Administration including Executive Director Cum Secretary of the Council (As per direction of Government vide letter no. 14/1/2012-E&MDA dated 6<sup>th</sup> July, 2012 to make Executive Director Cum Secretary intrinsic part of Committee of Administration), 4 Co-opted members appointed by the Chairman and Vice Chairman respectively.
22. (a) The tenure of an elected head shall not be for more than two years. The election of Chairman of the Council shall be via Vice-Chairman route. However, any member having held the post of Chairman or Vice-Chairman may come back as Vice-Chairman after a gap of not less than four years.

In exercise of powers conferred in Memorandum & Articles of Association of the Council the Ministry of Commerce & Industry vide advisory No.12/2/2013-E&MDA dated 7<sup>th</sup> Dec., 2015 and Ministry of Textiles vide letter No. 8/4/2014-EP(Pt.1) dated 18<sup>th</sup> Aug., 2015 has given the following instructions with regard to election of Vice Chairman and Committee Members:

- (i) As per Foreign Trade Policy provisions, the EPC having RCMC powers need to follow para 2.92 of the Handbook of Procedure.
- (ii) EPC must follow e-voting for election of the posts of Executive Committee Members and also for the post of Vice Chairman with a view to ensuring wider participation. A reputed agency should be appointed by the EPC to conduct the election in a free and fair manner.

- (iii) All members, fulfilling the minimum requirement of exports, as prescribed by the EPC, would be eligible to vote for both the Executive Committee and Vice Chairman.
- (iv) Vice Chairman so elected shall become Chairman after the present Chairman completed his term and will have tenure as prescribed in the Handbook, unless he declines to accept the post of Chairman or he is removed from the post of Vice Chairman by a no-confidence vote of not less than 2/3<sup>rd</sup> of the Executive Members. The resolution regarding no confidence will have to put to vote on the same pattern of direct elections as followed during the time of election to the post of Vice Chairman.
- (v) Department of Commerce will depute an Observer for the elections for the post of Vice Chairman and Executive Committee.
- (vi) Ministry of Textiles will appoint a Scrutinizer with a view to conduct election of the Executive Committee members / Vice Chairman in fair and transparent manner.
- (b) The Chairman and Vice-Chairman shall be eligible for re-election to the Committee.
- (c) Election of the Vice-Chairman shall be held within 3 weeks expiry period of the two years term.
- (d) Secretary of the Council shall be responsible to issue notice for this election meeting to elect Chairman and Vice-Chairman, with or without permission of Chairman/Vice-Chairman by virtue of the express powers given to him in this section.
- (e) The meeting called for election of the Chairman and Vice-Chairman shall not transect any other business and shall be presided over by a member of the Committee, elected at the meeting for the purpose.
- (f) If the meeting to elect the Chairman and Vice-Chairman cannot be held for any reason, the representative of the Ministry of Commerce on the Committee shall, until such election takes place, exercise the powers of Chairman and Vice-Chairman, and shall also arrange for the holding of the next meeting for the purpose.
- (g) In the event of any casual vacancy arising in the office of the Chairman/Vice-Chairman, the same shall be filled up amongst the COA Members as per para 22(a).
- (h) All elected members of the Committee other than Chairman and Vice-Chairman, shall liable to retire by rotation every year, indicated in the table below:

<b>First Year</b>		<b>Second Year</b>		<b>Third Year</b>	
Composite Sector	<b>1</b>	Composite Sector	<b>2</b>	Composite Sector	<b>1</b>
Spinning	<b>1</b>	Comber	<b>1</b>	Spinner	<b>1</b>
Hosiery RCA	<b>2</b>	Southern Knitwear Region	<b>1</b>	Shoddy Mfrs.	<b>1</b>
Hosiery GCA	<b>1</b>	Hosiery RCA	<b>1</b>	Hosiery RCA	<b>2</b>
Machine Made Carpets	<b>1</b>	Hosiery GCA	<b>2</b>	Hosiery GCA	<b>1</b>
Merchant Exporter	<b>1</b>	Shawls	<b>1</b>		-
Powerloom	<b>1</b>				-
	<b>8</b>		<b>8</b>		<b>6</b>

Provided that in case the Chairman and/or the Vice-Chairman are due for retirement in any particular year in accordance with the provisions of these articles and in case the Chairman and/or the Vice-Chairman as the case may be, have not completed the two year term of office the election to their seat in the Committee shall be carried forwarded to the following year.

- (i) The retiring members shall be eligible for re-election in the General Meeting of the Council.



- (j) The member of the Committee to retire, shall be those who have been longest in Offices in respective groups since their last appointment, but as between persons who became members of the Committee on the same day, those who are to retire, shall in default of and subject to any agreement amongst themselves, be determined by lot drawn by the Chairman.
- (k) The term of Co-opted members will be coterminous with term of Chairman/Vice Chairman.
- (l) Every year the Council will hold Annual General Meeting as soon as possible, after 1<sup>st</sup> of April, but not later than 30<sup>th</sup> September to review and pass the reports of the proceedings of the Committee and also the report and accounts of the preceding financial year and appoint auditors and fix their remuneration and also hold election of members of Committee. The retiring members of the Committee of administration shall be eligible for seeking election to Committee of Administration.
23. A retiring member of the Committee shall be eligible for re-election.
24. In any meeting at which election of members for the Committee was to take place, and seats of retiring members of the committee or some of them are not filled up, for any reason whatsoever the meeting shall stand and adjourned to the same date and place and time in next week. In case, if at this adjourned meeting, all or some of the seats of the retiring members of the Committee are not filled up in accordance with the procedure laid down in these articles, such retiring members may be deemed to have been re-elected at the adjourned meeting.
25. If a member of the Committee desires to go out of India for a period exceeding three months at any one time he shall intimate to the Secretary that date of his expected departure from India and the date of his expected return to India and shall obtain the leave of the Committee. The Committee may fill up a temporary vacancy so caused by co-opting another member from amongst members of the Council who would otherwise be eligible for election to that seat.
26. A member shall cease to be a member and his or its name shall be removed from the register of members on the happening of any of the following events.
- (a) In the case of an individual upon his death or adjudication as insolvent or becoming of unsound mind a in the case of a company or corporation upon its dissolution or winding up
  - (b) If the member ceased to have the necessary qualification under these Articles or the Byelaws.
  - (c) If such member being an individual he, or if such member is a company or corporation, any officer or Director thereof as the case may be is pronounced guilty of an offence which in the opinion of the Managing Committee, amounts to an act or conduct or omission in contravention of any of the rules, regulations or byelaws of the Council or otherwise detrimental to interest of the Council.
  - (d) If he fails to observe the provisions of these presents, the rules, regulations and byelaws of the Council or any decision of the arbitration of the Committee.
  - (e) If he resigns from the Council in a manner provided in Articles (11) above.
  - (f) If he is expelled from the Council by the Committee by reasons of any provision of the Articles of the byelaws.
  - (g) If such member is removed or de registered in accordance with the provisions of Export (Control) order, 1977 and/or in accordance with ITC Policy and procedure relating to export as may be framed by the Government from time to time.



## **CHAIRMAN**

27. The Chairman of the Council shall preside at all meetings of the Committee and at all meetings of the Council. He shall preside at the Annual General Meeting and address the members on such subject as he may deem proper to bring to their notice but such address shall not be taken to present the views of the Council or of the Committee unless such representations is expressly indicated. If the Chairman is absent, then the Vice-Chairman will preside and if both are absent, then the Committee members present shall elect one among them to be the Chairman for the meeting.
28. Every Chairman and Vice-Chairman shall hold office from time to time of his election, until the completion of the next election of Chairman and Vice-Chairman and shall do so without remuneration.

## **COMMITTEE FOR ADMINISTRATION**

29. The Committee shall meet at such times as they may deem advisable and may make such regulations as they think proper as to the summoning and holding of the meetings of the Committee and for the transaction of business at such meetings. The record of their proceedings shall be open for examination of the members subject to such regulations as the Committee may from time to time deem expedient.
30. The Chairman of the Council shall also be the Chairman of the Committee. If at any meeting of the Committee, the Chairman is absent, then the Vice-Chairman will preside and if both are absent, the members present shall elect one among themselves to be the Chairman for the meeting.
31. Five members of the Committee shall form a quorum for the transaction of business.
32. Each member of the Committee shall have one vote and, in the event of an equality of votes the Chairman or the person discharging the duties of Chairman shall have a casting vote.
33. Any business which it may be necessary for the Committee to transact may, if the Chairman so directs be carried out by circulation of papers among all its members and any resolution so circulated and approved by the majority of such members signing shall be so effectual and binding as if the resolution had been passed at a meeting of the Committee provided that:
  - (i) At least three members of the Committee have recorded their views on the resolution and.
  - (ii) Any three members of the Committee may require that the resolution be referred to a meeting of the Committee.
  - (iii) When any business is so referred to the members of the Committee by circulation, a period of not less than 7 clear days shall be allowed for the receipt of replies from such members, such period being reckoned from the date on which the notice of the business is issued.
  - (iv) If a resolution is circulated, the result of the circulation shall be communicated to all members of the Committee present in India and recorded in the minutes of the next meeting of the Committee.
34. A yearly report of the proceedings of the Committee shall be prepared, printed and circulated for the information of the members of the Council at least 14 days previous to the Annual General Meeting. Such report shall be submitted to the Annual General Meeting for confirmation and shall be confirmed or otherwise dealt with or disposed of as the meeting shall determine. Such report shall be in addition to the report to be made out and attached to the Balance Sheet in accordance with these Articles.

35. The Committee shall be managing body of the council, and in addition to the powers and authorities by statute or these Articles expressly conferred upon them may exercise all such powers and do such acts and things as shall be by statute or by these Articles of Association directed or authorized to be done by the Council and which are not by these Articles expressly directed to be done by the Council in General Meeting but subject nevertheless as to such acts and things as are not regulated by statutes or by these Articles of Association to such regulation or directions as may from time to time be determined upon or given at any Annual or Extraordinary General Meeting of the Council, provided that no such regulation which would have valid if the regulation or direction had not been made or given.

35. (A) **VACATION OF OFFICE BY MEMBER OF COMMITTEE**

The Office of member of the Committee shall become vacant if,

(a) He is found to be of unsound mind by a Court of Competent Jurisdiction.

(b) He applies to be adjudicated an insolvent.

(c) He is adjudicated insolvent.

(d) He is convicted by a Court, of an offence involving moral turpitude and sentenced in respect thereof

(e) He is disqualified from being a member of the Council.

(f) He resigns and it is accepted by the Committee.

35. (B) **FILLING OF CASUAL VACANCIES AMONGST MEMBERS OF COMMITTEE**

In case, if the office of any member appointed by the Council in General Meeting is vacated before his term of office expires in normal course, the resulting casual vacancy may be filled by the members of the Committee at its meeting.

Any person so appointed shall hold office only up to the date, upto which the member on whose place he is appointed would have held if it had not been vacated as aforesaid.

**POWERS OF THE CHAIRMAN**

36. If for any reason, the Chairman is unable to perform his duties as such and notifies the Vice Chairman and Secretary of the Council accordingly, the Vice Chairman shall perform the duties and exercised the powers of the Chairman during the period the Chairman himself is unable to do so.

(a) To preside over all meetings of the Committee of Administration of the Council.

(b) To incur, authorize and pass any expenditure in running of the office of the Council.

(c) To sanction ex-gratia grants subject to approval by the Committee to members of the staff of the Council whenever he deems fit.

(d) To appoint, suspend, discharge or dismiss the Secretary or any other officer of the Council on legitimate grounds in consultation with the Competent Authority.

(g) To make commitment or commitments financial or otherwise, on behalf of the Council in furtherance of the interests of the Council.

- (f) To invest, rent out, purchase of such items or authorize such expenses which he considers necessary for satisfactory running of the affairs of the Council.
- (h) He may himself undertake or authorize any member/s or office bearers of the Council to go on tours inside the country or abroad wherever he considers that such trip or tips will further the cause of the Council.
- (i) To carry out such power of powers as the Committee, from time to time authorize him to perform in all matters in which he may be interested.
- (j) To call any person or corporation as special invitee to any meeting of the Council.

Provided however in exercise of his powers and authorities in relation to (d) above, the Chairman or the Vice-Chairman as the case may be shall always consult Competent Authority. But otherwise, the Chairman or in his absence the Vice-Chairman, shall exercise these powers and authorities under the superintendence and supervision of the Committee.

37. The management of the business affairs and funds of the Council shall be vested in the Committee which, in addition to the powers and authorities, duties and discretions by those presents or otherwise expressly conferred or imposed upon them may exercise all such acts and things as may be exercisable, exercised or done by the Council and are not hereby or by any act, regulation or statute for the time being in force expressly directed or required to be exercised or done by the Council in General Meeting but subject nevertheless to the provisions of such act regulations or statute or these presents as from time to time, be made by the Council in General Meeting provided that no regulation so made shall invalidate any prior act of the Committee which would have been valid if such regulation has not been made.

All member exporters having export turnover of Rupees one lakh and above shall be liable to pay Council Charges to the Council at the rate of 1/10% of their export during the year 1995-96 and payable by 30<sup>th</sup> June of 1996.

There after the rate of above Council charges can be decided by Committee for each year according to budget approved by the Government.

- (a) To fix and collect Council charges on export of all products coming within the administrative purview of the Council.
- (b) The Committee may also delegate any of their powers, authorities and duties to the Chairman of the Committee in addition to what is mentioned herein. The Chairman shall inform the Committee about the exercise or performance by him of any such power, authorities and duties that may be delegated to him.
- (c) Without prejudice to the general powers conferred by the last preceding article and other powers conferred by these presents or by law, the Committee shall subject to the restrictions imposed by the act have the following powers i.e.
  1. In respect of the employees of the Council, make rules approved by the Government, as per specific provision from time to time to regulate :
    - (i) The conditions of the service ;
    - (ii) Appointment, promotion and dismissal ;
    - (iii) The grant of pay, leave, allowances, pension, gratuities and compassionate allowances;
    - (iv) The payment of travelling allowances; and
    - (v) The establishment and maintenance of a Provident Fund.

Provided that the grant of leave and allowances to Government servants whose services have been lent or transferred to the Council shall be decided with the previous approval of the Government competent to sanction his transfer to the service of Council.

2. To purchase, hire or take on lease for any period or otherwise acquire for the purpose of the Council any property, movable or immovable, interest, rights, privileges, powers or concessions which the Council is authorized to acquire at such price and generally on such terms and conditions as it may think fit and its discretion sell, give up, surrender, relet or sublet or assign or otherwise dispose of the same or part thereof.
3. To arrange, deal with and manage the finances of the Council and invest and deal with any of the monies of the Council not immediately required for the purpose thereof upon such security and in such manner as it may deem fit and, from time to time to vary and realize such investments provided that the Committee shall have the power to invest such monies in the purchase of immovable properties situated in India or to deposit in current/savings or fixed deposits as the Committee may think fit a portion, or whole of the monies of the Council with any person, banking, firm or joint stock bank in whose reliability and financial stability the Committee may, in their sole judgment have confidence.
4. To enter into contracts, engagements on behalf of the Council and to secure the fulfillment thereof or any other obligation of the Council by mortgage or charge of all or any of the property and rights of the Council or in such manner as it may think fit.
5. To appoint Sub-Committee as may from time to time be found necessary and to determine their duties and the conditions upon which they are respectively to hold office and to prescribe the procedure to be adopted by them.
6. To establish offices outside the city and Union Territory of Delhi on such terms and conditions as it may deem proper and as approved by Government.
7. To establish Regional Offices wherever and on whatever terms they think fit and appoint officers for the same.
8. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Council, any property belonging to the Council or in which it is interested or for any other purposes to execute and do all deeds, matters and things as may be required in relation to any trust and to provide for the remuneration of such trustee or trustees.
9. To exercise the borrowing powers to obtain credits for the Council and to execute in the name and on behalf of the Council such mortgages, charges and other encumbrances of the Council's property (present and future) as it may deem fit in favour of any member of the Committee of the Council or any other person who may incur or about to incur any personal liability whether as principal or surety for the benefit of the Council and any such instrument may contain a power of sale and such other powers covenants and provisions may be agreed upon.
10. To refer any claims or demands by or against the Council to arbitration and to observe and perform award.
11. To make and give Receipts, releases and other discharges for monies payable to the Council and for the claims and demands of the Council.
12. To determine who shall be entitled on behalf of the Council to draw, make accept, endorse, discount, negotiate issue, and sign promissory notes, bill or exchange, bill of lading warrant debentures, other negotiation and mercantile Instruments receipts contracts and other documents.

13. To support and subscribe to any charitable or public object and any institution society, or club which may be for the benefit of the Council or its employees.
14. To subscribe money to any public, or charitable fund.
15. At any time, from time to time, under power of attorney under the seal of the Council to appoint any person or persons to be the attorneys of the Council for such purposes and with such powers authorities and discretions (not exceeding these vested in or exercisable by the Committee under these presents) as may be deem expedient.
16. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Council or its officers or otherwise concerning the Council or its officers and also to compound and allow time for payment on satisfaction of any claim or demand by or against the Council.
17. To enter into all negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds, matters and things in the name and on behalf of the Council to any of the matters aforesaid or otherwise for the purpose of the Council.
18. To appoint member to act as Arbitrator, or Umpire, Board of Arbitrators, Appeal Committee in any of the matters where such arbitration accompanying is imperative or permissible under these presents and decide their powers and duties and other procedure.
19. To pay the costs, charges and expenses preliminary and incidental to promotion, formation, establishment and registration of the Council.

### **SECRETARY, OFFICERS AND OTHER STAFF**

38. The Secretary shall devote himself faithfully to the business and affairs of the Council. He shall have charge of all correspondence and shall keep an account of the funds of the Council and funds connected with activity in any way controlled by the Council. He shall keep accurate minutes of all meetings of the Council and of Committee of Administration. He shall be incharge of the rooms, furniture, library, documents and other articles belonging to the Council or the Committee. He shall give notice of all meetings of the Council or their appointments, shall unless, otherwise decided by the Committee countersign all cheques signed by the Chairman or any member or members of the Committee duly authorized in this behalf and shall collect money due to the Council. He shall prepare an Annual Report of the Council under guidance of the Committee and generally perform all such duties as are incidental to his Office. The notice of the meeting shall be given by Secretary on advice of Chairman.
39. He shall have power to engage, in consultation with the Chairman any assistants for organizing and clerical purposes he consider necessary and all such assistants shall be under the control of the Secretary.
40. The General Meeting of the Council shall be held atleast once a year as soon as possible after the 1<sup>st</sup> of April in each year, but not later than the 30<sup>th</sup> of September, provided that the Committee may also at any time direct the Secretary to call General Meetings. The Annual General Meeting of the Council shall be held at New Delhi.
41. The Principal business of an Annual General Meeting shall be to receive and pass the reports of the proceedings of the Committee and also the report and accounts for the proceeding financial period and to elect members of the Committee, to appoint auditors and fix their remuneration etc.



42. If one-tenth of all the Council members who have paid annual subscription and council charges upto date, requisition in writing duly signed by them setting forth reason therefor, requesting the Chairman of the Council to call a meeting of the Council, the Chairman shall within 21 days of its receipt direct the Secretary to call a meeting of the Committee of Administration for considering the requisition. If any, change in the Memorandum and Articles of Association of the Council is envisaged it will be sent to the Government for approval. After receipt of Government approval, a General Meeting of the Members will be called to consider requisition. Such meeting will be called an Extra Ordinary General Body Meeting.
43. Not less than 14 days notice to the members specifying the place, date and hour of meeting with a statement of the business to be transacted at the meeting shall be given by notice sent by post or otherwise served as hereinafter provided.
44. No remuneration or allowance of any kind shall be paid to any member for attending any COA, AGM and General Body Meeting of the Council held at the Regd. Office. However, for the meetings held outside Regd. Office then COA may fix TA/DA from time to time.
45. (i) A notice may be given to any member either personally or by sending it by post to such members registered address or (if a member has no registered address in India) to the address if any, within India supplied by the members for giving of notices.
- (ii) Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying postage and posting a letter containing the notice. The service of the notice of any meeting shall be deemed to have been effected on the expiry of 48 hours from the time of its postage.
46. If a member has no registered address in India and got supplied to the Council an address within India for giving of notice, a notice addressed to such member and advertised in a newspaper circulating on the neighborhood of the registered office of the Council shall be deemed to be duly given to such member on the day on which the advertisement appears.
47. Any notice required to be given by the Council to the members or any of them and expressly provided for by these presents shall be sufficiently given by advertisement and any notice required to be or which may be given by advertisement shall be advertised once atleast in one or more newspaper circulating in the neighborhood of the registered office of the Council
48. The non-receipt or late receipt by any member of any notice required by these articles to be given to the member shall not invalidate the proceedings of any meeting or any resolution passed thereat.

### **PROCEEDINGS AT MEETING OF THE COUNCIL**

49. No business shall be transacted at any meeting of the Council unless a quorum of 15 members is present at the commencement of the meeting, and if no such quorum is present within half an hour from the time appointed for the commencement of the meeting, the meeting shall be adjourned for the same time and for the same day of the next week unless it is a gazetted holiday, then to the next day and irrespective of the fact on the adjourned meeting, quorum is complete or not, meeting shall be held and shall be deemed to properly and legally held. In case the meeting is adjourned for any other reason, other than requirement of quorum then at the adjourned meeting, it will be necessary that quorum is complete before transaction of business.
50. (i) At any meeting a resolution put to the vote of the meeting shall be decided by a show of hands unless a poll is (before or on the declaration of the result of the show of hands)

demanded by the Chairman or by at least five members and unless a pool is so demanded a declaration by the Chairman that the resolution has on a Ballot/Show of hands, been carried or carried unanimously or by a particular majority, or lost and an entry to that effect, in the books of the proceedings of the meetings of the Council shall be conclusive evidence of the fact, without proof of the number or proportion of the vote recorded in favour or against the resolution.

(ii) No resolution shall be moved unless intimation thereof has been given to the Secretary at least 15 days from the date of the meeting and the same is on the agenda of the meeting.

51. The Chairman of the meeting may with the consent of the members adjourn the same from time to time E place but no business shall be transacted at any adjourned meeting other than business left unfinished at meeting from the adjournment took place. In case, it is impossible to carry on the meeting properly Chairman can adjourn the meeting.

### **VOTE OF MEMBERS**

52. At any meeting of the Council, every Council member present shall be entitled to one Vote, and in the event of equality of votes, the Chairman or the person discharging the duties of a Chairman, shall have casting vote.
- 52(a) Electronic Voting would be mandatory for election to the posts of Elected Head and Executive Committee Members with a view to ensuring wider participation as per Election Rules of the Council
53. Every Council member or his authorized signatory at the meeting of the Council may nominate a person in writing to represent such member at the meeting of the Council and give notice thereof to the Secretary which should reach at least 48 hrs before the time of the holding of the meeting, and upon such intimation being given the Secretary, the person nominated will have the right to vote on behalf of member but shall not participate in the proceedings of the meeting.

### **MINUTES**

54. Minutes of the proceedings of the meeting of the Council and of the Committee shall be kept and shall be signed by the person presiding over the next meeting. Copies of the minutes of the meeting of the Council or of the Committee shall be circulated to the members of the Council or of the Committee as the case may be, within 14 days of the meeting and any objection made by any member shall be recorded and placed before the next meeting of the Council or the Committee as the case may be.

### **BOOKS AND DOCUMENTS**

55. The Committee shall cause to be kept proper books of account with respect to:
- (a) all sums of money received and expended by the Council and the matters in respect of which the receipt and expenditure takes place;
  - (b) all sales and purchases of goods by the Council;
  - (c) the assets and liabilities of the Council; and



(d) Quarterly statement of Income and Expenditure should be circulated alongwith Agenda of the Committee of Administration.

The books of account shall be kept at the Head Office of the Council and shall be open for inspection by the members of Committee of Administration during the office hours.

56. The Committee shall from time to time, determine whether and to what extent and what times and places and under what conditions or regulations the accounts and the books of the Council or any of them shall be open to the inspection of the members not being members of the Committee and no member (not being a member of the Committee) shall have any right to inspect any account or book or document of the Council except as conferred by law or authorized by the Committee or by the resolution of the Council in General Meeting.

Provided that the accounts and books of the Council shall be open for inspection by an Officer duly authorized in this behalf by the Government for ascertaining or verifying the income and expenditure of the Council or for such other purposes as may, by agreement between the Council and the Government, be specified in this regard.

57. (i) At all Annual General Meetings, the Committee shall lay before the members a Balance Sheet and an Income and Expenditure account made upto a date not earlier than the date of meeting by more than 9 months.
- (ii) The said Balance sheet shall be in the form set out in para of the third schedule of the Indian Companies Act, 1956 or at near there to as circumstances admit.
- (iii) The Income and Expenditure account shall be arranged under the most convenient heads the account of gross income distinguishing the several sources from which it has been derived and the amount of gross expenditure distinguishing expanses of the establishment, salaries and other like matter. Every item of the expenditure fairly chargeable against the years, income shall be brought into account so that a just balance or profit and loss may be laid before the meeting. In cases where any item of expenditure which may in fairness be distributed over several years has been incurred in any one year, the whole amount of such items shall be stated, and further, the reasons why only a portion of such expenditure is charged against the income of the year shall be stated, unless the members of the Council in General meeting shall determine otherwise.
- (iv) The auditor's report shall be attached to the Balance Sheet and Income and Expenditure account or there shall be inserted at the foot thereof reference to the report and the report shall be read before the members in General Meeting and shall be open to inspection by members.
58. Every such Balance sheet and Income and Expenditure accounts shall be accompanied by a report of the Committee as to the state and conditions of the Council, such report being in addition to and separate from the reports specified under Article 37 hereof and the account, report and Balance Sheet shall be signed by the Chairman on behalf of the Committee.
59. A printed copy of such Income and Expenditure account and balance sheet as audited together with report of the auditors and Committee shall atleast 14 days previous to the meeting be sent to the registered address of every member and a copy shall also be deposited at the Office for the inspection of members during a period of at least 14 days before the meeting.

60. After the Balance Sheet and Income and Expenditure account have been laid before the members in General Meeting 3 copies of the Balance Sheet signed by the Secretary shall be filed with the Registrar of Societies.

### **MAINTENANCE AND PUBLICATION OF ACCOUNT AUDIT**

61. The Accounts of the Council shall be audited every year by Auditors appointed in this behalf by Council with the concurrence of the Government.
- The remuneration of the auditors shall be fixed by the Council at a General Meeting with concurrences of the Government.
62. The auditors shall have the right of access at all times to the books of accounts of the Council and shall be entitled to require from the Committee or the Officers of the Council such information and explanation may be necessary for the due performance of their duties as auditors.
63. The auditors shall make a report to the members on the accounts examined by them and on every Balance, Sheet and Income and Expenditure Account laid before the members in Annual General Meeting during tenure of office and report shall state:
- (i) Whether or not they obtained all the information and explanations they have required;
  - (ii) Whether or not in their opinion Balance Sheet and the Income and Expenditure Account referred to in the report are drawn up confirming with the law;
  - (iii) Whether or not such Balance Sheet exhibits true and correct view of the state of affairs of the Council according to the best of their information and explanation given to them and as shown by the books of the Council; and
  - (iv) Whether in their opinion books of accounts have been kept by the Council as required.
64. The Auditors shall be entitled to receive notice to attend any General Meeting of the Council at which any accounts which have been examined or reported on by them are to be laid before the members and may make any statement or explanation they desire with respect to the account.
65. A certified true copy of the account and Auditor's report shall be forwarded to the Government.
66. Every account of the Committee when audited and approved by the General Meeting shall be conclusive except as regards any error discovered therein within 3 months next after the approval thereof. Whenever such error is discovered within that period, the account forthwith shall be corrected and henceforth shall be conclusive.

### **BUDGET ESTIMATES AND SUPPLEMENTARY ESTIMATES**

67. The Committee shall each year prepare a budget for the ensuring year and shall submit to the Council and the Government on or before such date as may be determine by the Council in consultation with the Government.
68. (i) The budget shall be in such form as the Council may direct and shall include a statement
- (a) The estimated opening balance;

- (b) The estimated receipts;
  - (c) The proposed expenditure classified under following major heads or such other heads as the Council may direct;
  - (d) Administration outside India;
  - (e) Administration within India;
  - (f) Propaganda outside India;
  - (g) Propaganda within India;
  - (h) Collection of information;
  - (i) Dissemination of information;
  - (j) Trade accounts;
  - (k) Standardization and inspection;
  - (l) Arbitration and settlement of trade disputes and incidental expenses; and
  - (m) Others
- (ii) The proposed expenditure under each major head shall be further classified under the following sub-heads:
- (a) Pay of Officers;
  - (b) Pay of establishment;
  - (c) Allowances, honoraria, etc.; and
  - (d) Other charges, contingencies, etc.

69. Supplementary Estimates of Expenditure shall be submitted for sanction to the Council in such form and on such date as may be specified by the Council in consultation with the Government.

### **POWER TO INCUR EXPENDITURE**

70. Subject to the provisions of these Articles and the rules framed thereunder, the Council may incur such expenditure as it may think fit and write off any sums and may delegate to the Committee or to the Chairman or to the Secretary of the Council such financial powers as it may be considered expedient.
71. The Council may, subject to the provision of these Articles, incur expenditure outside India provided the necessary foreign exchange is made available by the Reserve Bank of India.

### **CUSTODY AND DISBURSEMENT OF FUNDS**

72. The council shall make bye-laws for the custody and disbursement of fund provides that:
- (a) the current account/saving account of the Council shall be kept in the bank approved in this behalf by the Government and all monies at the disposal of the Council, with the exception of petty cash and imprest, shall be paid in to such account; and.

- (b) The funds not required for current expenditure may be placed in fixed deposit with any bank approved in this behalf by the Government or in any security in which trust properly may lawfully be invested under the Indian Trust Act, 1882.

## SEAL

73. The Committee shall provide a common seal for the purpose of the Council and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Committee shall provide for the safe custody of the seal and the seal shall never be affixed to any instrument except by the authority or a resolution of the Committee and in the presence of atleast two members of the Committee appointed for the purpose by the Committee and such members shall sign such instrument.
74. **The Government will have the powers:**
- (i) To give directions to the Council as to the exercise and performance of its functions in matters involving national security of substantial public interest and to ensure that the Council gives effect to such directions.
  - (ii) To call for such reports, returns and other information with respect to the property and other activities of the Council as may be required from time to time.
  - (iii) To Council acting as the Registering Authorities shall abide by all directions of the Central Government in respect of promotion and development of international trade.
  - (iv) To approve agreements involving foreign collaboration, if any proposed to be entered into by the Council.

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