

ARTICLES OF ASSOCIATION

OF

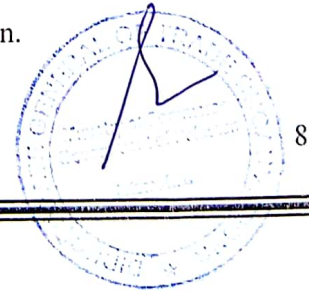
PAKISTAN COSMETICS MANUFACTURERS ASSOCIATION

(A Trade Association set up and licensed by the Federal Government under clause 3 of Trade Organizations Act, 2013 and A Company set up under section 42 of the Companies Act, 2017)

1. **REGULATIONS:** - The regulations contained in Table C of the First Schedule to the Companies Act, 2017 shall not apply to the Association except as laid down herein.

2. **DEFINITIONS:** - In the Articles unless there is anything repugnant in the subject or context;

- (i) **“Association”** means **Pakistan Cosmetics Manufacturers Association.**
- (ii) **“Article”** means the Articles of Association of this Association.
- (iii) **“Act”** means Trade Organizations Act, 2013.
- (iv) **“Rules”** means Trade Organizations Rules, 2013
- (v) **“Chairman”** means the chairman of the Association.
- (vi) **“Committee”** means the Executive Committee of the Association elected under these Articles and includes any sub-committees of the Association.
- (vii) **“General Meeting”** means a meeting of General Body whether ordinary or extraordinary as assigned in Companies Act, 2017.
- (viii) **“Member”** means a business concern whether sole proprietorship, partnership, association of persons, or a company admitted as member of Association.
- (ix) **“Office Bearer”** means the Chairman, Senior vice-Chairman and Vice-Chairman of the Association.
- (x) **“Company Act”** means the Companies Act, 2017 or any other statutory enactment in place of said Act for the time being in force.
- (xi) **“Regulator”** means Regulator, Directorate General of Trade Organizations, Ministry of Commerce, Government of Pakistan, appointed under Trade Organizations Act, 2013.
- (xii) **“Register”** means the register of members of Association.



- (xiii) **“Resolution”** means any resolution passed at any meeting of the Association conveyed to take decision while adhering to the provisions of Sections 157 to 173 of the Act.
- (xiv) **“By-laws”** means the By-laws of the Association for the time being in force.
- (xv) **“Secretary General”** means the Secretary General of the Association.
- (xvi) **“Year”** means financial year for account and for tenure mean election years.

Unless the context otherwise requires, words or expressions defined in these Articles shall have the same meanings as in the Act, Trade Organizations Act, Trade Organizations Rules or any statutory modification thereof in force.

The words indicating the singular shall include plural, and vice versa and words signifying the persons shall apply mutatis mutandis to firms, corporations or joint stock companies. Moreover, the words indicating the masculine gender shall include feminine gender, unless there in anything repugnant in the subject or context.

1. PURPOSE: - The Association is established for the purposes expressed in the Memorandum of Association.

2. LIMIT OF MEMBERS: - For the purpose of registration, the Association hereby declares to consist of unlimited number of members.

3. CLASSIFICATION OF MEMBERS: - Membership of the Association shall comprise of following two classes of members from chemicals manufacturing sector:

- (a) **“Corporate Member”** means which is either a body corporate or multinational corporation having its head office or branch office in Pakistan or a sales tax registered manufacturing concern or a sales tax registered business concern having annual turnover of Rs. 50 million or above.
- (b) **“Associate Member”** means which is **NOT** a body corporate or a multinational or a sales tax registered manufacturing concern or a sales tax registered business concern having annual turnover of Rs. 50 million or above.

4. ELIGIBILITY FOR MEMBERSHIP: - A sole proprietorship, partnership firm, association of persons or a company shall be eligible for membership of the Association.



5. APPLICATION FOR MEMBERSHIP: - (1) Every business concern, desirous of becoming a member of the Association shall submit to the Secretary General, membership application form together with membership fee. The application so received shall be placed before the next meeting of Executive Committee or circulated amongst the Members of Executive Committee, which may accept or reject the same for the reasons specified in the rejection order.

(2) In case of rejection of any application for enrollment as a member, the fee shall be refunded and the applicant may appeal with Regulator (TOs) whose decision in this regard shall be final and binding.

6. DURATION OF MEMBERSHIP: - The membership of the Association shall be for a period of one year and shall expire on the 31st day of March every year, irrespective of the date of grant of membership.

7. RENEWAL OF MEMBERSHIP: - The membership shall be renewable on annual basis subject to fulfillment of the following conditions:

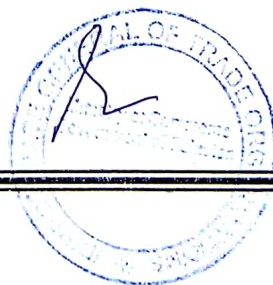
- (a) Payment of prescribed fee within the time stipulated but not later than 31st of March and;
- (b) Proof of filing returns of Income Tax and Sales Tax, if applicable, for the preceding year.

8. MEMBERSHIP FEE: - Every member shall be required, at the time of admission, to pay membership fee of Rs. **30,000 (Rupees thirty thousand only)** or as determined by the Executive Committee, from time to time, Any firm being member of the Association shall have, on changing the firms' name or on change of constitution of the firm, to put in a fresh application for membership. However, no membership fee shall be charged provided the applicant has taken over the assets and accepted the liabilities of the original firm. In any case the Executive Committee shall be competent to decide such cases on merit.

9. RENEWAL FEE: - Every member shall annually pay renewal fee of **Rs. 40,000 (Rupees forty thousand only)** or as determined by the Executive Committee, from time to time, by 31st March each year.

10. PRIVILEGES OF MEMBERS: - Every member of the Association shall be entitled:

- (a) To take part in the elections and cast vote to elect members of Executive Committee of the Association as per rules and regulations in force.



- (b) To get benefit from the assets of the Association in pursuit of the aims and objects of the Association on such terms and conditions as the Executive Committee may determine from time to time.
- (c) To take advantage of the information and record available with the Association under such limitations as the Executive Committee may determine.
- (d) To obtain a copy of the annual report and statement of accounts of the Association.
- (e) To obtain a copy of all publications of the Association either free of cost or at such prices as may be fixed by the Executive Committee from time to time.
- (f) To cause an ordinary or extraordinary General Meeting of the Association to be convened in conjunction with other members of the Association in accordance with these articles.
- (g) To participate in the General Meeting of the Association.
- (h) To stand or propose or second members for election of Executive Committee of the Association.
- (i) To stand for election as a representative of the Association on any non-political, public or private body.
- (j) To seek assistance of the Association for securing all reasonable facilities for the development of his business.
- (k) To inspect or examine books of accounts and other documents, registers or records of the Association subject to any rules, conditions or limitations that may be laid down in this behalf under the relevant law or by the Executive Committee or by a resolution of the General Meeting.

Provided that office bearers shall have power to refuse inspection of any document which at the time may be confidential and whose disclosure in their opinion is likely to prejudice the interests of the Association. Reasons for such refusal may be given in writing and the aggrieved member may appeal to the Executive Committee whose decision in the matter shall be final.

- (l) To such other privileges as may be specified by the Executive Committee from time to time.

11. DUTIES AND OBLIGATIONS OF MEMBERS: - Every member shall have the following duties and obligations:

- (a) To make every effort to carry out the aims and objects of the Association as set forth in the Memorandum of Association.
- (b) To carry out and abide by the rules and regulations of the Association as laid down in these Articles or in the bye laws framed thereunder from time to time.

- (c) To submit as far as possible all complaints, appeals, etc., in writing to the Secretary General.
- (d) To bring to the notice of the Executive Committee any matter likely to cause any loss or harm to the interest of the Association or its members in whatever manner.
- (e) To pay the renewal fee and other dues of the Association regularly.
- (f) To accept and abide by the decisions of the Executive Committee provided the decisions are not inconsistent with the provisions of the Memorandum or the Articles of Association or the Trade Organizations Act or any rules, regulations, instructions or directions issued thereunder.
- (g) To convey to the Executive Committee all information that may be considered necessary for promoting the aims and objects of the Association.
- (h) To take part in the deliberations of the meetings of the Association which he is entitled to attend and to abide by the rules framed for the conduct of the business of the meeting from time to time.
- (i) To assist and cooperate with the Executive Committee in development of economy of the country with specific reference to sector of economy the Association in concerned.
- (j) The proceedings of the Association will be treated, by members, as strictly confidential and will not be discussed in public. Only the Chairman or his duly authorized nominee will be entitled to make a public statement on behalf of the Association but only with the approval of the Executive Committee of the Association. If any member has failed to observe the rules requiring proceedings of the Association to be treated as confidential, the Association may, in writing, call upon such member to resign from the membership of Association.

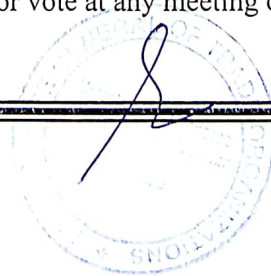
12. REGISTER OF MEMBERSHIP: - (1) A register of membership shall be maintained at the registered office of the Association in which shall be set forth the names, addresses and other particulars of all the members, for the time being, and in which shall be recorded all changes in membership.

(2) Every member shall have the right to have the name of his/its representative changed, from time to time, provided that no such change shall be effected during the period from three days after the announcement of election schedule and till completion of the process of election.

13. RESIGNATION, REMOVAL AND EXPULSION FROM MEMBERSHIP: -
 (1) Any member may resign from the Association by giving 30 days' notice in writing to the Executive Committee and upon expiry of the notice he shall cease to be a member. The member who has resigned or whose name has been removed from the register for non-payment of subscription or for expulsion from the membership of the Association shall remain liable for all dues to the Association up to the date of resignation, removal or expulsion.

(2) Any member who has resigned or whose name has been removed from the register or who has been expelled from the membership of the Association shall not be entitled to refund of any money paid by him to the Association.

(3) Any member who has resigned or ceased to be member or has been expelled from the Association shall not be entitled to attend or vote at any meeting of the Association.



(4) A member shall be liable to be fined up to an amount equal to that of the membership fee or to be suspended or to be expelled from the membership of the Association, or the rights and privileges of member shall be liable to be withdrawn, for any of the following reasons by a resolution of the Executive Committee passed in a meeting:

- (a) Neglect of or refusing to submit to, abide by, or carry out any decision of the Executive Committee taken within the limits laid down by the Articles of the Association or by the Trade Act or any rules, regulations, instructions or direction issued thereunder.
- (b) Indulging in unethical practices in business.
- (c) Intentional violation of the rules, regulations or bye-laws of the Association.

Provided that a member shall not be suspended or expelled by the Executive Committee unless he has been given an opportunity of explaining his position in writing and/or in person.

Provided further that the member so suspended or expelled shall have the right to appeal, within one month from the date of suspension or expulsion, to the Executive Committee of the Association for review.

Provided further that the aggrieved person shall have the right to appeal to the Regulator, whose decision shall be final.

14. CESSATION OF MEMBERSHIP: - A member shall cease to be a member of the Association for any of the following reasons:

- (i) If he resigns from his membership.
- (ii) If he is expelled from the membership or his name is removed from the register.
- (iii) If he fails to pay annual subscription or any other dues by a date fixed by the Executive Committee, despite notice for payment in this behalf.

Provided that the Executive Committee if it deems fit and proper shall have power to extend time for payment of outstanding dues other than renewal fee.

- (iv) In case a change is made in the constitution or corporate name of the firm, company or corporation which substantially alters the composition of that firm, company or corporation.
- (v) In case of an individual, if he is adjudicated insolvent, or if he is adjudged by a competent court to be of unsound mind, or if he is convicted of an offence involving moral turpitude.
- (vi) In case of a firm, when it is dissolved, or adjudged insolvent or the partners thereof are convicted of an offence involving moral turpitude.
- (vii) In case of a company or corporation, when it is wound up.
- (viii) If he closes or transfers his business to a place outside Pakistan.



- (ix) If he is expelled from membership of the Association under the Trade Act or any other laws and rules issued from time to time governing the activities of trade associations.

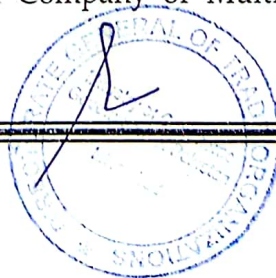
15. RESTORATION OF MEMBERSHIP: - A member whose name has been removed from the register due to non- payment of renewal fee and other subscription shall be liable for fresh membership on payment of membership fee and all dues outstanding against him.

16. ELECTIONS: - The elections of the Association shall be conducted, according to the procedure laid down in Trade Organizations Rules and the Articles of Association, between the 1st day of July and 30th day of September biennially subject to following conditions wherever applicable:

- (a) The election schedule duly approved by the Executive Committee shall be issued by the Secretary General in the first half of July.
- (b) Within two days of its approval by the Executive Committee, the election schedule shall be displayed at the notice board of the registered office and regional offices as well as website of the Association. A copy of election schedule shall also be submitted to Regulator Trade Organizations.
- (c) The election of office bearers and members of Executive Committee shall be held by secret ballot.
- (d) No voting by proxy or postal ballot shall be allowed.
- (e) No member shall be entitled to cast vote or take part in the process of elections unless all outstanding dues have been paid to the Association.
- (f) An amount of Rs. 10,000 (Rupees ten thousand), non-refundable, shall be deposited by each candidate who intends to contest election.

17. ELIGIBILITY TO VOTE

- a) A member shall be eligible to vote in election of the Association tiller the completion of two years of membership provided the member fulfills the conditions stipulated for the renewal of membership and change the class of membership, if any has been notified by the secretary with the approval of Managing Committee, as a case may be, at least 3 months prior to announcement of the election schedule.
- b) Every member eligible to vote shall deposit with the Secretary, the specimen signature card along with his / her photograph indicating his / her status in the firm, company or concern. The right of vote shall be allowed to the proprietor, partner or the director of the member of firm or company or a person not below the rank of Regulator Authorized by the Board of Directors of a Public Limited Company or a Multinational Company, as the case may be.
- c) The proprietor / partner or director of the member of firm or company concerned or a person not below the rank of Regulator Authorized by the Board of Directors or Public Limited Company or Multinational Company shall be



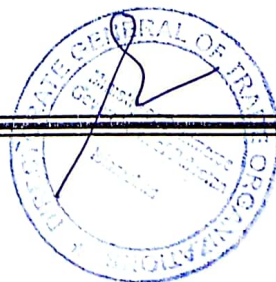
entitled to cast his / her vote at the time of election only, if his / her name has already been registered with the secretary and his name appears on the list of voters. However, in case of Associate Bodies, Association of persons a society or Trust etc, the member may be represented by an authorized person who is a member of Governing Body.

18 APPOINTMENT OF ELECTION COMMISSION: - Simultaneously with approval of the election schedule as provided in rule 14, the executive committee of the association shall appoint an Election Commission subject to the following conditions, namely: -

- (a) the commission comprises three members;
- (b) the members so appointed have submitted their consent in writing to their appointment as such;
- (c) the members of the commission, so appointed, have not held any office of the respective trade organization for the preceding two years;
- (d) the member of the commission shall not be entitled to become a candidate in the election, he is conducting;
- (e) the members of the commission shall be independent, impartial and non-partisan; and
- (f) the members of commission shall not canvass for any of the candidates or panels contesting the elections, they are conducting.

19. FUNCTIONS OF ELECTION COMMISSION: - The Election Commission shall be in charge of all arrangements connected with conduct of elections including but not limited to-

- (a) appointment of polling staff;
- (b) ensuring display of tentative voters' list by the secretary general for the purpose of inviting objections as provided in sub-rule (3) of rule 18;
- (c) examination of and decision on the objections received on the voters' list as provided in sub-rule (6) of rule 18; and
- (d) supervision of polling process and ensuring that the polling has been conducted in an orderly, peaceful, fair and transparent manner in accordance with provisions of the memorandum and articles of association and instructions of the Federal Government or the Regulator in this regard; and
- (e) counting of votes and announcement of results.



20. LIST OF VOTERS: - (1) Within three days of the announcement of election schedule, member firms desiring to change their representatives shall intimate changes regarding name of representative to the Secretary General along-with necessary proof of eligibility.

(2) The Secretary General of the Association shall display, within seven days of issuance of the elections schedule, the provisional list of all members eligible to vote along-with their national tax number, sales tax registration number, if applicable, and the name and national identity card number of their representatives. The provisional voters' list shall be displayed at:

- (a) Notice board of the registered office and regional offices of the Association.
- (b) Website of the Association.

(3) The members who have any objection to the entries in the list of voters shall sent their objections, in writing, to the Secretary General within seven days of the issuance of the voters' list.

(4) The Secretary General shall, within five days from the receipt of objections. intimate action on the objections or changes, if any.

(5) Any member aggrieved by the decision of the Secretary General may make a representation, within three days, to the Election Commission which shall decide the case within three days.

(6) Within three days of the decision by the Election Commission any member aggrieved by the decision of Election Commission may appeal to the Regulator whose decision in this regard shall be final.

(7) Within two days of the decision of the Regulator, final list of voters shall be:

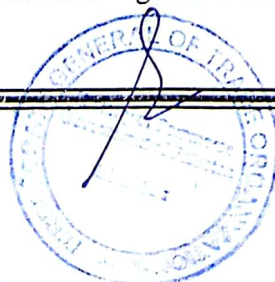
- (a) Displayed at the notice board of the registered office and regional offices of the Association;
- (b) Displayed at the website of the Association, and
- (c) Submitted to the Regulator.

21. NOMINATION PAPERS: - (1) Within four days of the display of the final list of voters, any member who is eligible to contest the elections for the vacant post of Executive Committee shall send his nomination duly proposed and seconded by a registered voter and signed by the candidate to the Secretary General on the prescribed form.

(2) Within twenty-four hours of receipt of nomination papers, a copy of the final list of voters, on payment of prescribed fee, shall be provided to each contesting candidate.

(3) The time frame, as specified in Trade Organizations Rules, shall be followed for scrutiny, objections and appeals pertaining to nomination papers of candidates of Executive Committee.

22. CONDUCT OF ELECTIONS: - (1) The ballot papers shall have duly numbered counterfoils and the voters shall sign or affix thumb impression thereon in the



presence of the polling agents of the candidates and the polling officer before the issuance of ballot papers.

(2) It shall be duty of the polling officer to see the original identity card issued by the Association or national identity card or passport or the driving license or any other acceptable mode of identification of the voter and write the number thereof on the counterfoil.

(3) After comparing the signature and photograph with the specimen signatures card, the polling officer shall handover the ballot paper to the voter.

(4) The ballot paper shall be signed by the Secretary General or an officer of the Association duly authorized by the Election Commission in this behalf and shall also be signed by the polling officer at the time when it is issued.

(5) Once the ballot paper has been issued to a voter, he/she shall not be allowed to leave the polling both without putting ballot paper in the box placed before the presiding officer/polling officer and polling agents of the candidates.

(6) Adequate arrangements shall be made to maintain the secrecy of the polls.

(7) Proper account shall be maintained by an officer designated by the Election Commission in respect of ballot papers including used, unused, tendered, challenged or stray ballot papers.

(8) The challenged votes shall be kept in a separate sealed envelope duly signed and sealed by the polling officer.

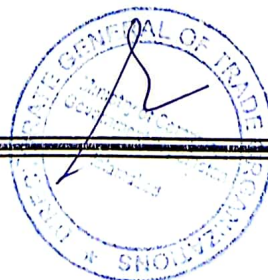
(9) The Commission or an officer designated by the Election Commission shall decide about the challenged votes after verification of necessary information before the official announcement of the results.

(10) Counting of votes shall take place immediately after the polling hours under the supervision of polling officer in the presence of polling agents of the candidates, if any, at the designated sites.

(11) Provisional results may be declared by the Election Commission immediately after the counting of votes is completed.

(12) In the event of equality of votes between two or more candidates the result shall be decided on the basis of a draw conducted by the polling officer in the presence of candidates or their authorized representatives/polling agents and a record of the result thereof shall be made.

(13) Having completed the counting and compilation of results, the record pertaining to the elections shall be sealed and signed by the Election Commission or any officer designated by the Commission and the Secretary General and shall be handed over to the Secretary General for safe custody.



(14) The record of elections shall be opened to inspection upon an application made in this behalf by the candidate within seven days of the date of polling and with the approval of the Regulator.

23. ANNOUNCEMENT OF RESULTS: - (1) The final result of elections shall be officially announced at the Annual general Meeting of the Association called for this purpose within fifteen days of the date of polling, but not later than 30th of September of the year, which shall be the material date for this purpose.

(2) The final election result announced at the General Meeting shall be:

- (a) Displayed at notice board of the registered office and regional offices of the Association within two days.
- (b) Displayed at the website of the Association within two days; and
- (c) Submitted to the Regulator within seven days.

24. ADMINISTRATION: - The administration and management of the Association shall be vested in Executive Committee of the Association.

25. COMPOSITION OF ASSOCIATION: -

i. The general Body shall serve as the electoral college for election of the members of Executive Committee.

ii. The Association shall comprise of a Chairman, senior vice Chairman, vice Chairman, Executive Committee and a General Body.

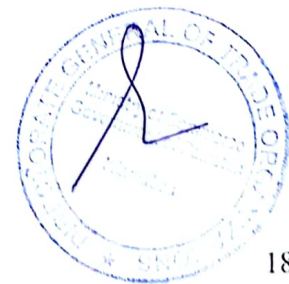
26. GENERAL BODY: - (1) All members of Association shall constitute the General Body.

(2) All members of Association irrespective of their class of membership and their respective representatives, office bearers, members of Executive Committee and sub-committees, Secretary General and employees shall be ultimately responsible and answerable to the General Body.

(3) Subject to Act, Trade Organizations Act and rules made thereunder, all appeals against the decisions of Executive Committee may lie before the General Body.

27. EXECUTIVE COMMITTEE: - (1) The composition of Executive Committee shall be as under:

Elected Chairman	01
Elected Senior vice Chairman	01
Elected Vice Chairman	01
Elected Executive Committee Members	17
Reserved Seats for Women	02
Immediate past Chairman (ex-officio)	01



member without voting right)	
Total	23

(2) There shall be at least fifty percent of the members (including office bearers) of the Executive Committee shall be from Corporate Class.

(3) Two women on reserved seats shall be elected by the simple majority of the members of Executive Committee.

(4) If any seat reserved for any of the stipulated categories remains vacant, it shall not be filled with members from other category.

(5) If the General Body comprises at least fifty percent members from Associate Class, there shall be rotation of office of Chairman between Associate and Corporate members.

(6) Where there is rotation of office of Chairman, the Chairman and senior vice Chairman, shall not be from the same class of members.

(7) The Chairman and senior vice Chairman shall not be from the same Province.

(8) The electoral college for each class of members of Executive Committee shall be members of the General Body from the respective class.

(9) The office bearers shall be elected by the Executive Committee from amongst its members.

(10) The tenure of office bearers shall be **Two years**.

(11) The tenure of members of Executive Committee of the Association shall be **Two years**.

(12) On completion of the term, office bearers and members of Executive Committee shall not be eligible to contest elections or cooption in any representative capacity in the Association for the next **Two years**.

(14) A member shall deem to be ceased a member of Executive Committee if he fails to attend three consecutive meetings of Executive Committee without leave of absence.

28. SUB-COMMITTEES: - (1) If it is considered necessary or desirable at any time to appoint sub-committee for any specified purposes, the Executive Committee shall be competent to appoint such sub-committees which may include members from within



the executive and/or general body members, with such powers and duties as may be defined by the Executive Committee from time to time.

(2) Members of sub-committees may elect their own convener and co-convener. In absence of the chairman, any member of the sub-committee elected for the time being by majority of votes shall preside at the meeting. The rules that apply to the members of Executive Committee will equally apply to the members of the sub-committee.

29. POWERS AND DUTIES OF CHAIRMAN:- (1) The Chairman shall perform such duties and have such powers as vested in the chief executive in terms of Companies Act without prejudice to the generality the Chairman shall discharge the following duties, namely:

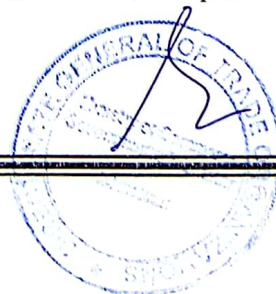
- (a) To preside at the meetings of the Executive Committee as well as meeting of General Body on his convenient.
- (b) To control and maintain decorum and discipline at the meeting.
- (c) To look after and supervise the working and activities of the Association.
- (d) To give precedence to any item of the agenda and to give ruling on the points raised in the meetings.
- (e) To direct the Secretary General to call the meeting of the Executive Committee and the General Body, as the case may be.
- (f) To adjourn or disperse unruly and indisciplined meetings.
- (g) To lead delegation and deputations.
- (h) The Chairman shall have the powers to allow expenditure up to 20,000 (Rupees twenty thousand only) per week for office use, without prior approval of the Executive Committee but will have to get approval in the upcoming meeting of Executive Committee.
- (i) The Chairman will ensure his physical availability for at least two days in a week at the registered office of Association.

(2) The Chairman shall have the right of a casting vote in case of the equality of votes in the meeting.

(3) In the absence of Chairman, the senior vice Chairman shall exercise all the powers of the Chairman and discharge the duties in relation to the Association and the Executive Committee.

30. POWERS AND DUTIES OF SECRETARY GENERAL:- The appointment of Secretary General shall be made as per Rule 24 of TORs, 2013 by Human Resource Committee appointed by Executive Committee. The Secretary General shall be in-charge of the secretariat of the Association and responsible for day to day operations of the Association and in his capacity as such shall be of the custodian of all record of the Association. Without prejudice to the generality, the Secretary General will perform the following duties:

- (a) To issue notices and agendas for the meetings of the Executive Committee and General Body, as the case may be.
- (b) To carry out the decisions of the meetings of General Body and Executive Committee.
- (c) To keep the office record properly and make correspondence on behalf of the Association.



- (d) To record or cause to be recorded the minutes of meetings of the General Body and Executive Committee and ensure their timely circulation to all concerned.
- (e) To prepare annual reports and accounts of the Association.
- (f) To sign all documents, bills, and letters either singly or jointly with any other office bearer as may be decided by the Executive Committee.
- (g) To incur urgent and necessary expenses to the extent of Rs. 20,000 (Rupees twenty thousand only) per month for office use, with the prior/post approval of Executive Committee and will submit the receipts of the expenses incurred.
- (h) To place and present the report of sub committees before the Executive Committee.
- (i) To keep contact with and coordinate among zonal offices and registered office of the Association.
- (j) To sign cheques jointly with Chairman, senior vice Chairman, vice Chairman or any member of Executive Committee duly authorized in this behalf.

AND GENERALLY exercise such powers and duties, as may incidental to the office of the Secretary General.

31. POWERS AND DUTIES OF THE EXECUTIVE COMMITTEE: - The Executive Committee shall have the following powers and duties:

- (a) To carry out all the rules, aims and objects of the Association.
- (b) To look after and manage all the property, moveable and immoveable held by the Association.
- (c) To acquire, obtain, utilize and enjoy all such privileges, concessions, benefits and rights extended to registered/recognized Associations.
- (d) To approve and to keep regular record of the activities of the Association.
- (e) To appoint, suspend or dismiss any paid employee of the Association and to determine the term and conditions of employment of the employees.
- (f) To operate with other person(s), bodies and associations in the interest of the Association.
- (g) To settle differences of opinion between members and to hear appeals whenever such appeals come to the Executive Committee under these Articles.
- (h) To convene meetings of the General Body and to place proposals relating to common issues of the Association.
- (i) To issue instructions and directions to members of the Association.
- (j) To interpret these Articles.
- (k) To approve all expenses in connection with affairs of the Association.
- (l) To hold meeting of the Executive Committee at least once in a month as notified by the Secretary General.
- (m) To nominate members to represent the Association on General Body as well as Executive Committee of FPCCI.

AND GENERALLY to decide all questions of policy affecting the affairs of Association.

32. VOTE OF CONFIDENCE: - (1) Whenever the majority of the members of Executive Committee feels that the Chairman has failed to perform his responsibilities or has lost their confidence, the Executive Committee shall have right to ask the Chairman to seek and obtain a vote of confidence by giving a written requisition to the Chairman through Secretary General which must be signed by simple majority of Executive Committee members.



(2) Upon receipt of requisition, under sub-Article (1), the Chairman shall be bound to hold the meeting of the Executive Committee within seven days from the date of receipt of requisition.

(3) The Chairman may exercise his casting vote in case of tie of the votes.

33. RECORD TO BE MAINTAINED: - The Executive Committee and the Secretary General shall keep or cause to be kept proper books of accounts in which shall be entered full, true and complete account of the affairs and transactions of the Association including but not limited to the following:

- (a) Book of Accounts
- (b) Minutes Book for meetings of the General Body
- (c) Minutes Book for meetings of the Executive Committee
- (d) Register of Membership
- (e) Elections Records
- (f) Register of Members of Executive Committee showing the names and addresses and all changes made therein from time to time.

34. ANNUAL GENERAL MEETING: - (1) A meeting of the General Body to be called Annual General Meeting shall be held at least once in a year in accordance with the provisions under Section 158 of the Act and as may be determined by the Executive Committee.

(2) A report of the proceedings of the previous year and the yearly account of the Association, duly audited, shall be sent to the members in advance.

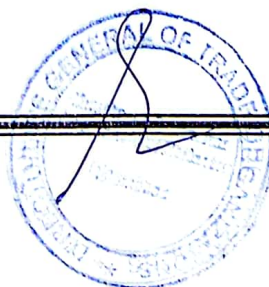
(3) All resolutions except amendments in Memorandum and Articles of Association shall be adopted by the simple majority vote of members present in the meeting.

35. SPECIAL OR EXTRA ORDINARY GENERAL MEETING: - (1) The Executive Committee whenever deems fit may convene an Extra Ordinary General Meeting either for the purpose of transacting any special business or for placing before the members review of the activities in the preceding months.

(2) The Extra Ordinary General Meeting shall be convened by the Executive Committee upon the requisition of not less than one-third of the members of the Association. The requisition so made shall state the object of the meeting proposed to be called and shall be presented to the Secretary General.

(3) Upon receipt of the requisition under the preceding sub-Article, the Executive Committee shall forthwith proceed to call a meeting but not later than twenty one days.

(4) Notwithstanding provisions of the preceding sub-Articles and subject to provisions of the Act as to the power to alter regulations by special resolution, at least twenty one days' notice specifying the place, day and the hour of the meeting and of the nature of the special business shall be given for any special meeting to be convened to revise, alter or amend the regulations of the Associations.



(5) The non-receipt of notice, for convening any General Meeting, by any member shall not invalidate the proceedings of any such meeting.

36. QUORUM: - (1) The quorum of the meetings of Executive Committee and General Body shall be one third members. The vacant seats in the Executive Committee shall not be counted towards quorum.

(2) If within half an hour from the time fixed for a meeting, a quorum of members is not present, the meeting if convened on the requisition of the members shall be dissolved. In any other cases it shall stand adjourned to the same day in the following week at the same time and place provided that if it falls on a public holiday, the meeting shall take place at the same time and place next day and if at such adjourned meeting, the quorum of members is not present, the business of the agenda will be transacted by the members present whatsoever be their number.

37. ADJOURNMENT OF MEETING: - The Chairman, with the consent of members present, may adjourn the meeting from time to time and place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished after meeting from which the adjournment took place.

38. VOTE OF MEMBERS: - Every member shall be entitled to use his right of vote in favour of as many candidates as there may be vacancies on the committee concerned.

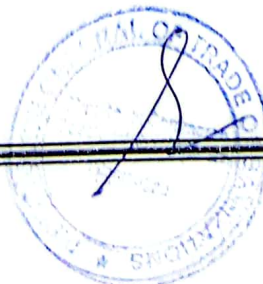
39. INTERIM ARRANGEMENTS: - In the case of the Executive Committee, in the absence of Chairman, the senior vice Chairman or vice Chairman or in the absence of all of them any member of the Executive Committee elected for the time being by a majority of votes shall preside at the meeting of the Executive Committee.

40. VACANCIES: - A vacancy caused in the office of office bearers shall be filled by the majority of votes of members of Executive Committee and in case a seat of Executive Committee becomes vacant it shall be filled by cooption.

41. APPOINTMENT OF AUDITORS: - At each Annual General Meeting, the General Body shall appoint an Auditor or Auditors according to the provisions of Companies Act. The Auditor or the Auditors so appointed shall audit the accounts of the Association, which will be placed before the General Body, in the Annual General Meeting held immediately thereafter. The first Auditors of the Association will be appointed by the Executive Committee.

42. AMENDMENTS IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION: - Amendments in these Articles and Memorandum can be effected only by a resolution passed in General Body meeting of the Association with two third (2/3) majority of the members.

Provided that all amendments shall be subject to the approval of Regulator (TOs) and shall also be made by the Government when required in the public interest.



43. **REPORTING REQUIREMENTS:** - Notwithstanding the requirements under the Companies Act, 2017, the Association shall annually submit by 31st December to Regulator:

- (a) Annual financial statements as approved by the Executive Committee and prepared by the Auditors.
- (b) Plan of activities for the next year; and
- (c) A soft and hard copy of list of members as on November 30, in the format at Annex. I of Schedule B of Trade Organizations Rules, 2013.

44. **FUNDS:** - The Association shall maintain accounts in scheduled bank(s).

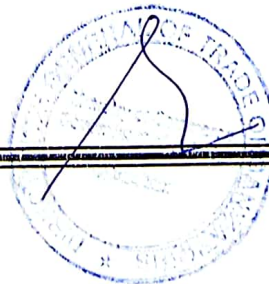
45. **WEBSITE:** - Association shall maintain a website at all times which shall upload all relevant information such as:

- (a) Up-to-date list containing names and contact details of office bearers, members of Executive Committee, management and members of General Body.
- (b) Memorandum and Articles of Association as well as bye-laws, if any.
- (c) Plan of activities.
- (d) Minutes of meetings of Executive Committee.
- (e) Schedule of elections, voters' list and election results during the elections period.

46. **SEAL:** - The common seal of the Association shall be deposited with the Secretary General at the registered office and shall never be affixed to any document except in the presence of the Chairman, senior vice Chairman or vice Chairman and in pursuance of a resolution of the Executive Committee. Deeds, bonds and other documents to be made under the seal shall be deemed to have been duly executed on behalf of the Association, if sealed with the common seal of the Association, and signed by the Chairman, senior vice Chairman or vice Chairman and countersigned by the Secretary General or by the person acting as Secretary General.

47. **INCONSISTENCY:** - Notwithstanding anything in these Articles, the provisions of Act, Act and Rules will prevail to resolve any inconsistency.

48. **INDEMNITY:** - The Chairman, senior vice Chairman, vice Chairman, Secretary General, members of Executive Committee and all officers of the Association from time to time acting in relation to any affairs of the Association shall be indemnified out of the funds and assets of the Association against all liabilities which they or any of them may incur by reason of any act done or action taken in their aforesaid capacity in the execution of their duty including defending all legal proceedings before any Court of Law.



49. PLAN OF ACTIVITIES AND PERFORMANCE REVIEW

- a) Association shall prepare a three years plan of activities which shall be approved by the Executive Committee following distribution amongst its members and cover among other matters the proposed future activities, finances and outcomes of such activities intended by the Association during the said three years.
- b) Association shall internally conduct an annual performance review and have such performance review audited by external auditors based upon an inspection of all records of the Association to include but not be limited to minutes of meetings and the Association's plan of activities.

