

**Memorandum of Association
and
Rules and Regulations
of
INDIAN COTTON FEDERATION**



477, Kamarajar Road, Upplipalayam Post,
Coimbatore- 641 015

Reprinted in April 2016 incorporate the amendments.

**Memorandum of Association
and
Rules and Regulations
of
INDIAN COTTON FEDERATION**



477, Kamarajar Road, Upplipalayam Post,
Coimbatore- 641 015

CERTIFICATE UNDER SUB SECTION 2 OF SECTION 11 OF THE
TAMIL NADU SOCIETIES REGISTRATION ACT, 1975
(TAMILNADU ACT 27 OF 1975)

CERTIFICATE OF REGISTRATION OF SOCIETIES

Sl.No. 88/1978

I hereby certify that **THE SOUTH INDIA COTTON ASSOCIATION** has changed its name as **INDIAN COTTON FEDERATION** and the changed name **INDIAN COTTON FEDERATION** has this day been incorporate under the Tamil Nadu Societies Registration Act 1975 (Tamil Nadu Act 27 of 1975).

Given Under my hand at COIMBATORE this **22nd** day of **SEPTEMBER 2011.**

Seal :

SIGNATURE OF THE REGISTRAR OF
SOCIETIES

Station :

MEMORANDUM OF ASSOCIATION
OF
INDIAN COTTON FEDERATION
COIMBATORE

- I. The name of the Society is “INDIAN COTTON FEDERATION”
- II. The objects of the Association are :-
 - a) To create and encourage co-operative feeling and unanimity amongst the textile mills, cotton traders and cotton growers on all subjects connected with their common good.
 - b) To secure good relation between members of the Association and between themselves and their employees.
 - c) To advance, encourage and promote commerce and other technical education and also to establish and maintain such institution for instructing and training persons connected with cotton trade and commerce.
 - d) To promote and protect the economic interests of the country in relation to cotton trade and other trades, commerce and manufacturers in India and cotton growers as well in particular.
 - e) To promote and protect the interests of trade in cotton, to increase the same and to create and establish just and equitable traditions and principles and to maintain uniformity and to frame rules, regulations and bye-laws for the regulation and control of the transactions in cotton and kapas which may seem conducive to the Association.
 - f) To conduct at various centers, approved for the purposes by the Forward Markets Commission from time to time under the control and supervision of the Association, with the help of LOCAL COMMITTEE or without it, rings for trading including forward trade in cotton on terms and conditions to be prescribed from time to time.
 - g) To conduct under the aegis and at various centers to be decided from time to time under the control and supervision of the Association ready trade in cotton, on terms and conditions prescribed from time to time.

- h) To acquire the whole or any part of the property and assets of any Cotton Association carrying on business in any part of India.
- i) The memorandum and Articles are subject to Indian Arbitration and conciliation act 1996(26 of 1996)& arbitration act 1940(10 of 1940)
*model forms and State/Central Govt. amendments from time to time.
Board is authorized to incorporate such needed change.
- j) [I] To provide and maintain suitable buildings or rooms for a cotton exchange in Coimbatore and elsewhere in India and to regulate admission to and prohibition of the use thereof and the nature and times of such user whether in the case of the general body or particular classes or any individual or Hindu undivided family or firm or company or co-operative society or corporation using the exchange;

[II] To provide forms of contracts compulsory or permissive and regulate the making, carrying out and enforcement or cancellation of contracts;

[III] To adjust by arbitration or otherwise controversies between persons engaged in the cotton trade;

[IV] To establish just and equitable principles in the said trade;

[V] To maintain uniformity of control of the said trade;

[VI] To fix or adopt standards or classification of cotton;

[VII] To acquire, preserve and disseminate useful information connected with the cotton interest throughout all markets;

[VIII] To decrease or insure the local risk attendant upon business; and generally, to control, promote and regulate the cotton trade in the Southern Region comprising the States of Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Pondicherry and elsewhere in India, improve its stability and augment the facilities with which it may be conducted.

[IX] To organize/undertake spot trading in cotton lint at the association premises or a suitable location, time and period as decided by the Board from time to time

- k) [I] To establish, regulate and maintain a Clearing House for the purpose of dealing with the transactions in cotton and to regulate and control the admission to the same and to prohibit the user thereof and to determine the nature and times of such user whether in the case of the general body or particular classes or any individual or Hindu undivided family or firm or company or co-operative society or corporation, using the Clearing House or Houses;
- [II] To regulate the handling and exportation of cotton from India and the importation of cotton into India in so far as it may be imported;
- [III] To indemnify ship owners, master-porters and other such persons against claims in respect of any cotton exported from or imported into India, in such manner and by such instruments as the Association may deem fit;
- [IV] To levy, take, recover, and receive rates, tolls, charges, and other sums of money, on, for and in respect of cotton and / or kapas in which the Association or its members or associate members or grower members (if and so far as any necessary authority in that behalf is obtained) others not connected with the Association are in any way interested or concerned.
- [V] To facilitate the due shipment and delivery of cotton and to consider all questions as to the loading, carriage by land or sea delivery and insurance of cotton and to take such action there in as the Association may think fit;
- [VI] To bring, prosecute or defend or aid in bringing, prosecuting or defending any suits, actions, proceedings, applications or arbitrations on behalf of the Association or of the members of the Association or otherwise as the Association may think proper or conducive to the objects of the Association;
- [VII] To obtain sanction of the Government of India or the State Governments of the Municipalities and other local bodies for enabling the Association to carry all or any of its objects into effect or for amending the laws affecting any person dealing in cotton and / or kapas and to promote, support or oppose legislative or other measures affecting, the aforesaid trade or interest;

[VIII] To prescribe the principle of framing of contracts with a view to eliminate the temptation and possibility of speculative manipulation.

k) To admit individuals, Hindu undivided families, firms, companies, co-operative societies and corporations as members or associate members or grower members of the Association, upon such terms and conditions as may from time to time be determined.

l) To provide forms of contracts and to frame rules, regulations and bye-laws for the regulation and control of the transactions in cotton and particularly for the regulation for the making, performances and cancellation of contracts including contracts between members and members or between members and non-members; to provide for the consequences of a defaulting buyer or seller or intermediary; for the consequences of a breach or omission by a seller or buyer; for responsibilities of brokers and muddams; for opening and closing of markets, for regulating and maintaining a Clearing House; for fixing and declaring market rates and settlement dates; for fixing brokerage for the periodical settlements of contracts and differences for the passing on of delivery orders; for classification, control, regulation and admission of members and / or declaring members as defaulters for non-payment of dues as between members; for the exclusion, suspension, expulsion and re-admission of members; for providing the terms and conditions and incidents of contracts for prohibiting specified classes of dealings; for preventing of and dealing with 'bear – raid' or 'corner' for the arbitration and settlement of all disputes or otherwise in connection with the trade in the said commodities ; appeals against award; for holding of surveys on goods; for the levy and recovery of subscriptions, cess, fees and penalties; for the certificates of members and for suspension, cancellation and restoration of their certificates and disposal of their deposits and in particular to make disciplinary bye-laws, rules and regulations and to appoint committees, permanent or otherwise, for the furtherance of any of the objects or powers express or implied of the Association including without prejudice to this generality, Appeal Committee, Arbitration Committee, Default Committee, Daily Quotation Committee, Trade Supervision Committee, Clearing House Committee or any other Committee and to determine their powers and duties and the conditions under which they are to hold office and power.

- m) To establish, take over, control, manage or regulate the cotton market in the States of Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Pondicherry or the cotton market or Markets in any part of India.
- n) To purchase, take on lease, or in exchange, hire or otherwise acquire any real and personal property and any rights or privileges which the Association may think necessary or convenient for the purposes of its business, and in particular any land, buildings and easements.
- o) To construct, maintain and alter any buildings or works necessary or convenient for the purposes of Association.
- p) To build, acquire and manage cotton ware-house to ware-house cotton and to undertake the transport of cotton to and from such ware – houses and elsewhere in the States of Tamil Nadu, Andhra Pradesh, Karnataka, Kerala and Pondicherry.
- q) To insure, sell, improve, manage, develop, lease, mortgage, dispose of, or otherwise deal with all or any part of the property of the Association.
- r) To insure cotton, the property of members or associate members or grower members against loss by fire.
- s) To communicate with Chambers of Commerce or trade Associations and other mercantile and public bodies throughout the world and concert and promote measures for the protection of the cotton trade and traders in cotton.
- t) To relieve poor and needy members of the Association and their wives and families and to subscribe to, become a Member, and co-operate with any other Association whether incorporated or not whose objects are altogether or in part of the relief of the poor and needy persons.
- u) To establish and support or aid in the establishment and support of Associations, institutions, funds, trusts and conveniences calculated to benefit servants or ex-servants of the Association or the dependants or connections of such persons, and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for any charity or benevolent object or for any exhibition or for any public, general or useful object.

- W) To subscribe to, become a member of, and co-operate with any other Association, or Chamber, whether incorporated or not whose objects are altogether, or in part, similar to those of this Association, and to procure from and communicate to any such Association such information as may be likely to forward the objects of the Association.
- X) To invest or advance the moneys of the Association upon such securities or without any security, and at or without interest, as may from time to time be determined.
- Y) To receive money on deposit at interest or otherwise.
- Z) To borrow or raise money, in such manner as the Association shall think fit and without prejudice to the generality of the above by deposits, promissory notes, bills of exchange, hundies and other negotiable or transferable instruments or by mortgage, charge, or lien upon or by hypothecation or pledge of the property, or assets of the Association whether movable or immovable (and whether present or future) and also by a similar mortgage, charge, lien, hypothecation or pledge to secure and guarantee the performance by the Association or a body corporate or any other person of any obligation undertaken by the Association or a body corporate or any other persons as the case may be.
- AA) To enter into any arrangements with any Government, any local authorities, railways, municipality or otherwise which may seem conducive to the objects of the Association or any of them and to obtain from them any rights, powers, licences, privileges or concessions which the Association may think fit and desirable to obtain; and to carry out, exercise and comply with any such arrangements, rights, licences, privileges and concessions.
- aa) To sign, seal, execute and deliver all instruments, deeds, documents and writings whatsoever usual, necessary or expedient in relation to the Association or its affairs or interests whether as guarantors, consentors, or otherwise and to do the foregoing and all such other things as are incidental or conducive to the attainment of the above objects or any of them in any capacity whether as principals or agents, or Trustees or beneficiaries or otherwise.
- ab) To subscribe to or otherwise aid any benevolent, religious, scientific, national or other institutions or objects and to make payments for any charitable or useful purpose.

- ac) To take part in any organization or Association for the welfare of the members engaged in cotton trade and to send representatives of the Association to the International Conferences and to take part in the deliberations of the questions relating to cotton trade and to promote, support, follow and abide by the activities and conventions thereof and to oppose such measures as may be found to be prejudicial to the interest of the members of the Association.
- ad) To issue, acquire, use, deal in, pledge, mortgage, transfer, assign, or sell, mercantile documents of every kind and description and without prejudice to this generality to draw, make, accept, endorse, discount, issue, negotiate and assign cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, railway receipts, bills of lading and other negotiable, mercantile or transferable instruments or securities and to purchase, sell, endorse and surrender for renewal any government promissory notes or bonds or other government promissory notes of bonds or other government securities and loans.
- ae) To set apart and create special funds with special objects and apply the same or any part thereof or the interests or income thereof or any part thereof for all or any of such special objects.
- af) To establish and maintain with prior approval of the Forward Markets Commission institutions for imparting instructions and training in Commerce, Commercial English, Commercial Correspondence, Accountancy, Auditing, Banking and other subjects Pertaining to imparting education in cotton as required under Rule II (c).
- ag) To act as mediators, arbitrators or surveyors in all matters of differences, disputes or claims between the member's interests and their constituents or between members and non-members or between persons engaged in the said trade.
- ah) To consider all questions relating to the rights and privileges of the persons engaged in the said trade and to consider and devise ways and means for removing difficulties in their way in a just, lawful and constitutional manner and to promote or oppose legislative and other measures affecting the trade in the said

commodities, if necessary, for the purposes aforesaid to carry on correspondence with government, railways, telegraphic and postal authorities, and transport authorities, banks, port trusts, improvement trusts, improvement boards and other authorities concerned.

- ai) To fix times and periods during which business may or may not be proceeded with and to fix dates for holidays whether partial or whole on which business shall be closed.
- aj) To do all such other things as may be incidental or ancillary to the attainment of the above main objects or any of them.
- ak) To donate/contribute funds for the social causes related to public in general

III. The objects of the Association extend to the whole of India.

IV. Restriction of application of income and property of the Association: The income and / or surplus and the property of the Association whence and however derived, shall be applied solely towards the promotion of the objects of the Association, and no portion thereof, shall be paid, distributed or transferred directly or indirectly by way of dividends bonus or otherwise to the members of the Association.

Provided that nothing herein contained shall prevent the payment in good faith of remuneration to any officer, employee or servant of the Association or to any member of the Association nor prevent the payment of interest on monies lent to the Association nor prevent the payment of reasonable and proper rent for premises demised or let by for services rendered.

V. The Association will not function with a profit motive.

VI. The names, addresses and occupations of the First Executive Committee to whom the management of the affairs of the Society is entrusted by the rules of the Society are as under :

S.No	Name & Address	Occupation	Description of Office
1.	Shri.G.Varadaraj , S/o. Shri Ganga Naidu, “Rajashree”, 14, Huzur Road, Coimbatore- 641018.	Industrialist	Committee Member
2.	Shri S.Devaraj, S/o. Shri Srinivasalu Naidu, 68-B, Race Course, Coimbatore – 641018.	Industrialist	Committee Member
3.	Shri K.Sundaram, S/o.Shri G.Kuppuswamy Naidu, “Rasakondalu”, Avanashi Road, Coimbatore- 641 018	Industrialist	Committee Member
4.	Shri R.Doraiswamy, S/o. Shri Rangaswamy Naidu, 100, Naranapuram, Pappanaickenpalayam, Coimbatore – 641 037.	Industriaist	Committee Member
5.	Shri K. Venkatesalu S/o.Shri KandaswamyNaidu, “Green Banks” Avanashi Road, Coimbatore – 641 018	Industriaist	Committee Member

S.No.	Name & Address	Occupation	Description of Office
6.	Shri U.R.Joshi, S/o.Shri Ramji Joshi, M/s. U.R.Joshi & Co., 13/29, Ponnurangam Road, R.S.Puram, Coimbatore – 641 018	Business	Committee Member
7.	Shri Hiralal P.Malani, S/o.Shri Padamshi, M/s.Kishore Padamshi, 19-A,East Ponnurangam Rd., R.S.Puram, Coimbatore- 641 002.	Business	Committee Member
8.	Shri K.N.Viswanathan, S/o.Shri K.V.Narayanaswamy M/s.C.Jayantilal & Co., 4,Syrian Church Road, Coimbatore – 641 001	Business	Committee Member
9.	Shri M.Appuswamy, S/o. Shri Mariappa Chettiar, M/s. Sri Santhalakshmi Mills Meenkarai Road, Pollachi – 642 004	Business	Committee Member
10.	Shri M. G. Khona, S/o. Shri Govindji Jevat, M/s. M. Govindji & Co., 33, bashyakaralu Road, R.S.Puram, Coimbatore – 641 002.	Business	Committee Member

We the undersigned, are desirous of forming a society in pursuance of the Memorandum of Association.

S.No.	Name & Address	Occupation	Signature
1.	Shri G. Varadaraj, S/o. Shri Ganga Naidu, "Rajashree" 14, Huzur Road, Coimbatore – 641 018.	Industrialist	Signed
2.	Shri S. Devaraj, S/o. Shri Srinivasalu Naidu, 68 – B, Race Course, Coimbatore – 641 018.	Industrialist	Signed
3.	Shri K. Sundaram, S/o. Shri G. Kuppaswamy Naidu, "Rasakondalu", Avanashi Road, Coimbatore – 641 018.	Industrialist	Signed
4.	Shri R. Doraiswamy, S/o. Shri Rangaswamy Naidu, 100, Naranapuram, Pappanaickenpalayam, Coimbatore – 641 037.	Industrialist	Signed
5.	Shri. K.Venkatesalu S/o. Shri Kondaswamy Naidu "Green Banks" Avanashi Road Coimbatore-641 018	Industrialist	Signed

6.	Shri U.R. Joshi, S/o. Shri Ramji Joshi, M/s. U.R.Joshi & Co., 13/29, Ponnurangam Road, R.S.Puram, Coimbatore – 641002.	Business	Signed
7.	Shri Hiralal P.Malani, S/o. Shri Padamshi, M/s. Kishore Padamshi, 19-A, East Ponnurangam Road, R.S.Puram, Coimbatore – 641002	Business	Signed
8.	Shri K. N.Viswanathan, S/o. Shri K.V.Narayanaswamy, M/s. C.Jayantilal & Co. 4,Syrian Church Road, Coimbatore – 641 001.	Business	Signed
9.	Shri M.Appuswamy, S/o. Shri Mariappa Chettiar, M/s. Sri Santhalakshmi Mills, Meenkarai Road, Pollachi – 642 004.	Business	Signed
10.	Shri M. G.Khona, S/o. Shri Govindji Jevat, M/s. M.Govindji & Co. 33, Basyakaralu Road, R.S.Puram, Coimbatore – 641 002.	Business	Signed

Witnesses : 1. T.Rangaswami
Secretary
The Southern India Millowners' Association
Race Course, Coimbatore- 641018
2. R.M. Subramaniam
Asst. Secretary
The Southern India Mill Owers' Association
Race Course, Coimbatore – 641018.

Dated the 19th Day of June 1978, Coimbatore.

RULES AND REGULATIONS
OF
INDIAN COTTON FEDERATION
COIMBATORE

1. In these presents, unless there be something in the subject or context inconsistent, the following words be incorporated as under and the words imparting singular number include the plural number and vice-versa:
 - a. “Association” means INDIAN COTTON FEDERATION.
 - b. Act means the Societies Registration Act 27/1975 .
 - c. “The Office” means the place where the Secretariat of the Association is functioning.
 - d. “Year” means the official year commencing from 1st April and ending on 31st March.
 - e. “Month” means the calendar month.
 - f. “Bye-law” means the bye-laws of the Association for the time being in force.
 - g. “The Register” means the register of members maintained as per the Rules.
 - h. “Member” means an individual, Hindu undivided family, firm, company, Co-operative society or Corporation whose application on the prescribed form agreeing to abide by the present and future constitution, bye-laws or bye-law of the Association and who has paid the necessary subscription fee, admission fee and deposit as prescribed herein and whose name is entered in the Register of members of the Association.
 - i. “Manufacturer” means an individual, Hindu undivided family, firm, company, Co-operative society or corporation who is owning one or more textile mills and who is engaged in the process of manufacturing cotton yarn or cotton yarn & cloth.

- j. "Trader" means an individual, Hindu undivided family, company, Co-operative society or Corporation who is engaged in buying and selling of cotton and will include cotton ginning and / or pressing factories.
- k. "Broker" means an individual, Hindu undivided family, firm, company, Co-operative society or Corporation, who is termed as such in the general trade practice and one who acts as a broker for commission or brokerage on behalf of the sellers and or buyers of cotton without himself directly engaging in cotton trade.
- l. "Person" includes an individual, firm, Hindu undivided family, association of persons and company.
- m. "The Board" means the Board of Directors for the time being, of the Association.
- n. "Local Committee" means a Committee for any particular ring appointed or elected under these presents.
- o. "Place of Business" means an office where in the opinion of the Board a person eligible for membership of the Association is conducting a bonafide business for the time being in cotton.
- p. "In writing or written" include printing, typewriting, lithograph and other means of writing and other modes representing or reproducing words, figures and signs in a visible form.
- q. "Authorised representative" means a person registered as the representative of a member under these presents.
- r. "President" means the President of the Association for the time being and includes the Acting President or the Vice-President.
- s. "Secretary" means the Secretary of the Association for the time being and includes an officiating Secretary, an Acting Secretary, a Deputy Secretary, and Assistant Secretary and an officiating Deputy or Assistant Secretary/Joint secretary.
- t. "Seal" means the common seal for the time being of the Association.

- u. “Ring” means a place for trading under the auspices of the Association at the centres and in the Commodities approved by the Forward Markets Commission for time to time.
 - v. Office bearers means President, two vice Presidents and a Hon.Secretary/ a Hon .Joint Secretary & Treasurer if any
2. The name of the Society is “INDIAN COTTON FEDERATION”
3. The address of the Registered Office of the Society is :

INDIAN COTTON FEDERATION
477, Kamarajar Road,
Post Box No. 3310,
Uppilipalayam (PO),
Coimbatore- 641 015.

4. The date of formation of the Society is Thursday the Fourth May, 1978.
5. The Registered Office of the Society is situated in the jurisdiction of the Registrar of Societies, Coimbatore District, Tamil Nadu.
6. The Business hours of the Society are between 9.00A.M to 1.00 P.M. and 1.30 P.M. to 5.30 P.M. on all working days. Sunday holiday

MEMBERSHIP

7. There shall be five classes of members :
- 1. Full Members;
 - 2. Associate Members ; and
 - 3. Grower Members
 - 4. Associate Members – Class -A

The Association shall also create such other classes of membership to enable the different interests relating to the Cotton Industry as a whole on such terms and conditions as may be decided by the Board of Director of the Association from time to time.

Further Resolved that the following Rule shall be inserted in the Rules and Regulation of the Association. W.e.f. – 31.1.2010.

5.Membership for Association

Any registered entity with Govt authorities as Association connected with cotton related services could become member of ICF and also abide by ICF rules/regulations on application to ICF and subject to approval by the Board after paying the prescribed admission fee and annual subscription.

- i.Admission fee Rs.3000/
- ii.Annual Subscription Rs. 3000/

1. Full Members :

Every Manufacturer, trader or broker who is having a place of business in India and actually carrying on or bonafide intending to carry on business in cotton as manufacturer, trader or broker and being a subject of India, who applies for membership of the Association in the form prescribed by the Board for the purpose, agreeing to be bound by these rules and regulations and the bye-laws of the Association as may be in force from time to time, and whose application is accepted by the Board in the manner hereinafter provided shall be the member of the Association. Every applicant shall pay to the Association at the time of making the application : -

- i. An admission fee of Rs. 2000/-
- ii. Annual Subscription of Rs. 2000/-

With regard to partnership firm , copy of the certificate of registration by Govt. authorities must be provided. Applicable to all companies /corporations/associations also. Change in constitution of members must be notified to the board of ICF.

A person can apply for ICE membership a minimum of three years experience in cotton related business is required.

2. Associate Members :

- a) Any person who applies for Associate membership of the Association in the form prescribed for the purpose agreeing to be bound by the rules and regulations and bye-laws of the Association as may be in force from time to time for trading exclusively in non-transferable specific delivery contracts in cotton for which the Association is recognized or registered, shall pay to the Association at the time of making the application the following amounts:
 - i. Admission fee Rs. 1000/-
 - ii. Annual Subscription Rs. 1000/-

- b) On the acceptance of his application by the Board he shall become an associate-member of the Association and he shall have no right to vote.

Provided that an associate-member shall be entitled to be included in the various Committees that may be appointed from time to time under the rules and regulations and bye-laws of the Association to formulate policies in regard to trading in non-transferable specific delivery contracts.

Rule 7(2-a) Associate Members class A

Any person who applies for Associate Membership Class A of the Association in the form prescribed in this regard shall be admitted as an Associate Member Class A subject to the rules and regulation and bye laws of the Association as may be in force from time to time and such members shall have the ICF cotton testing and other allied services and such members shall be pay an Annual subscription of Rs.100/- per year and such members shall not have any rights to vote in the general board meetings of the Association. – W.e.f. – 31.1.2010.

3. Grower Members :

- a) Any person who is engaged in the cultivation of cotton, shall be eligible to become a grower member of the Association and shall pay to the Association at the time of making the application the following amounts:

- i. Admission fee Rs. 100/-
- ii. Annual Subscription Rs. 100/-

- b) On the acceptance of his application for membership by the Board, he shall become a grower member of the Association and he shall have no right to vote.

Provided that a grower member shall be entitled to be included in any Committee that may be appointed from time to time under the Rules and Regulations and bye-laws of the Association to formulate policies concerning the growers', interest.

8. ADMISSION OF FULL MEMBERS, ASSOCIATE MEMBERS AND GROWER MEMBERS :

Every Person applying for membership as full member or associated member or grower member or Associations shall make an application for membership in writing in such form as may from time to time be prescribed by the Board or the Association and the same shall be signed by him and his proposer and seconder (who shall be full members/and also two different persons) and addressed to the Association. The application for membership will be considered by the Board and the Board may admit the applicant as a member or may reject the application for membership without assigning any reason therefore.

a)A Full member can change over to Associate member or vice versa subject to :

1.Apply afresh by paying the necessary fees applicable to the opted member ship. No refund or adjustment of the subscription earlier paid is permitted

INCIDENTS OF MEMBERSHIP

9. SUBSCRIPTION AND ADMISSION FEE :

- i. Every Member of the Association shall pay admission fee and annual subscription at such rates as may be recommended from time to time by the Board and approved by the members at a general meeting.
- ii. The year for annual subscription shall be the official year of the Association commencing from 1st April in each official year. A member joining at any time during the year shall pay for that year,
- iii. The annual subscription shall be payable by the members within one month from the commencement of the official year.
- iv. A member shall not be entitled to exercise any of the rights or privileges of membership if his annual subscription is not paid within one month from the commencement of the year. Provided the Board may for good cause shown in writing by a member extend the time for payment of annual subscription upto a maximum period of three months from the commencement of the official year.

- v. A member who fails to pay his annual subscription within one month from the commencement of the year or within the extended period as may be permitted by the Board under clause (iv) above, shall cease to be a member of the Association and his name shall be removed from the register of members.
- vi. The admission fee and the subscription or any part thereof once paid shall not be refunded under any circumstances.
- vii. Subscription in arrears shall be treated as a debt due to the Association and recoverable by the Association.

10. DEPOSIT BY MEMBERS :

- a. Every full member and associate member / Association member shall pay the deposit at such rate as may be recommended from time to time by the Board and approved by the members at a general meeting.
- b. The deposit made by members shall receive interest at such rate as may be recommended by the Board and approved by the members at a general meeting.
- c. The deposit paid by any member of the Association shall be liable to forfeiture by a resolution of the Board for any default made by the member in the payment of any money payable by him to the Association or to any other member of the Association under or by virtue of the Articles and the Bye-laws rules and regulations of the Association from time to time in force. The deposit shall also be subject to a first lien or charge in favour of the Association for all sums due to the Association by the member, in whose name the deposit shall, from time to time, stand or to whom it shall otherwise be repayable. Postponed to and coming immediately after the said first lien or charge, the deposit, shall in every case be subject to a second lien or charge in favour of such of the other members as the member in whose name the deposit shall stand from time to time or to whom it shall otherwise be repayable, shall be indebted in respect of cotton transactions, for the total amount of such indebtedness. Postponed to and coming immediately after the said second lien or charge, the deposit shall in every case be subject to a third lien or charge in favour of such of the

other members (of any and every class) as the member in whose name the deposit shall stand from time to time or to whom it shall otherwise be repayable, shall be indebted in respect of brokerage or mucadam, charges due on cotton transactions entered into on behalf of that member, for the total amount of such indebtedness.

- d. All moneys received by the Association as deposit from any member, shall be deemed to be under the absolute control of the Association, and the Board shall be entitled subject to the provisions of the Rules for the time being in force, to use them for any of the objects of the Association in the same manner as if such moneys belonged to the Association absolutely.
 - e. Subject as aforesaid, and subject also to the provisions these Rules the deposit paid by any member shall be refunded to the person in whose name the same shall for the time being be standing, within twelve months from the date of his ceasing to be a member subject to the approval of the Board.
11. All moneys received by the Association, in respect of entrance fees, annual subscription, fines, penalties or otherwise howsoever whether under the Rules or under the Bye-laws or otherwise shall belong to the Association absolutely and may be dealt with in such manner as the Board may, from time to time, think fit for any of the objects of the Association.
12. Every member shall conform to and be bound by the Rules and Regulations and the Bye-laws of the Association for the time being in force.
13. A member shall (subject to the provisions of these Rules) be liable to be expelled from the Association or to be suspended from exercising all or any rights of membership, or to be otherwise dealt with, as the Board may, by resolution determine, in any of the events following namely: -
- i. If he ceases to have his interest as a manufacturer or trader or broker or grower ;
 - ii. If he fails to pay any sum due by him to the Association or remains in breach of the provisions of the Rules or Bye-laws or Rules and Regulations of the Association from time to time in force, or of any award made thereunder or of any order of the Board.

In all these matters, the decision of the Board shall be final and binding on the member.

The powers of expulsion and suspension contained in these Rules are in addition to and not in derogation of the powers of expulsion, suspension and fine that may be contained in the bye-laws, rules and regulations of the Association from time to time in force, and the said last mentioned powers shall be deemed to have been incorporated in, and to form part of these Rules.

14. If a member ceases to be a Citizen of India or is declared insolvent by a Court of competent jurisdiction, or, being a company goes into liquidation (other than for the purpose of reconstruction or amalgamation, when the provisions of Rules 10 shall apply) or is expelled from the Association or resigns, he shall on posting to that effect, ipso facto cease to be a member and his name shall be taken off the Register of Members but he shall remain liable for the fulfillment of all his obligations, whether to the Association or to any member of the Association.
15.
 - (i) In the event of a member being an individual, dying leaving a widow and / or any son or any daughter or son's son, then on the application to the Board and upon such terms and conditions as the Board may deem fit to impose in their absolute and uncontrolled discretion, the membership of the deceased member may be transmitted to such of them as the Board may decide, provided they shall not be otherwise disqualified for membership.
 - (ii) In the event of a member being an individual, taking into partnership with him another person or persons, or, being a firm, altering its style or constitution, or converting its business in cotton into a limited company, or, being a company, going into voluntary liquidation for the purpose of reconstruction or amalgamation or transferring its business to another company except on a sale for cash, then on the application to the Board and upon such terms and conditions as the Board may deem fit to impose in their absolute and uncontrolled discretion, such member may transfer his or its membership to such firm so styled or constituted or to such company, as the case may be, provided such transferee shall not be otherwise disqualified for membership.

AUTHORISED REPRESENTATIVES

16. (i) Every member being a firm, shall from time to time by a nomination in writing signed by one of its Partners or a person holding its general Power of Attorney, or in the case of a joint Hindu family firm, by its manager nominate two of its major coparceners, or a person duly authorised or two persons duly authorised to be their principal and alternate representatives. Nominees should be Proprietor /Partner / director /senior Executives
- (ii) The principal and alternate member shall have only one vote and the alternate member shall have a right to vote only when the principal member is not present at the meeting.
- (iii) The nominations once made shall be valid till such time the member notifies the change in the nomination and is duly received and registered in the Association.
- (iv) Every member being an individual shall from time to time by nomination in writing signed by him, nominate any two persons as his principal and alternate authorised representatives and failing any valid nomination, he shall be deemed to have nominated himself.
- (v) Every member being a firm, shall from time to time by a nomination in writing signed by one of its general Power of Attorney, or in the case of a joint Hindu family firm, by its manager nominate two of its major coparceners, or a person duly authorised or two persons duly authorised to be their principal and alternate representatives.
- (vi) Every member not being an individual or firm, shall from time to time by a nomination in writing signed by some person or persons having authority in this behalf, nominate two persons, to be its authorised principal and alternate representatives.
- (vii) The Association shall include in the Register of Members maintained under Rule 17, the names of persons from time to time nominated or deemed to be nominated as authorised principal and alternate representatives in accordance with the provisions of this Article.
- (viii) If any member, who has or is deemed to have nominated authorised representatives ceases to be a member, the name of

such authorised representative shall be struck off the Register maintained under Rule 17.

- (ix) The entry of a nomination in the Register maintained under Rule 17, shall be conclusive that the persons so nominated are the authorised principal and alternate representatives of the members nominating them.

17. REGISTER OF MEMBERS:

- 1) The Board shall cause to be kept a Register and Index of Members, and such register shall also contain, particulars of the style, constitution and address of the persons, firm, Hindu Undivided Family, companies, corporation and societies who are members, including, in the case of a partnership, the full names of all the partners, and in the case of a Hindu Joint Family, the name and address of its manager.
- 2) Every member shall promptly notify the Association in writing of any change affecting any of the entries in the Register. If a member shall fails to notify any such change within a period of three months of the same occurring, the Board may in its absolute and uncontrolled discretion impose a penalty not exceeding Rs.100 as a condition for recording the change.

CERTIFICATES:

18. Certificates of Membership of the Association shall be issued under the Seal of the Association and signed in such manner as the Board shall, from time to time, prescribe and the same shall be produced to the Board or any official of the Association deputed for the purpose, as and when the Board may require.
19. If any certificate be worn out or defaced, then, upon production there of to the Board, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board, or in default of proof, on such indemnity or otherwise, as the Board may deem adequate, being given, new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.
20. For every certificate issued, the sum of one rupees or such sum as the Board may, from time to time determine, shall be paid to the Association.

PANELS OF MEMBERS:

21. 1) All Full Members of the Association shall be classified into five Panels as follows:
- i] Manufacturers' Panel
 - ii] Traders' Panel
 - iii] Brokers' Panel
 - iv) Growers Panel
 - v) Associations panel (representing concerned member)
- 2) Any person, who is a full member of the Association shall be included in one or other of the said Panels and the division thereof, if any, according to his predominant business interest. Each such person shall in the first instance declare the Panel and the division thereof, if any, in which he desires to be included, but the particular panel and the division thereof, if any, in which he shall be included shall be in the absolute and uncontrolled discretion of the Board. The Board shall also have the power at any time and from time to time in their absolute and uncontrolled discretion with the approval of the Forward Markets Commission to alter the panel or any division thereof in which the member shall be included or transferred to, if they consider that the member's predominant business interest has changed in the meantime. Provided, however that no such alteration shall ordinarily be made during a period of three months immediately preceding an Annual General Meeting.
- 3) No full members shall be included in more than one Panel. The number of members in any Panel is not restricted and the different Panels may vary in the total number of their members.

Panel of Associate and Grower Member:

- 4) The Associate and the Grower Members shall form a separate Panel. Their authorised representatives shall out of their number, elect annually from amongst themselves their representatives, who shall be entitled to receive notices of and to attend and vote at all meetings of the Association and at all general meetings of authorised representatives. The number of persons so to be elected shall be the number nearest to but not exceeding ten percent of the total number of Associate or Grower Members or three from each category whichever is lower. From among the representatives so elected one in each category may be nominated as their representative on the Board as per 24.2(iv). The persons so elected or deemed to be elected shall represent and have the rights aforesaid, from the date of the election until the next succeeding election.

The Board may from time to time make rules for the conduct of such elections. Any casual vacancy occurring amongst such elected representatives may be filled at a meeting of the elected representatives by co-opting an authorised representative of an Associate or Grower Member.

GENERAL MEETINGS, QUORUM AND PROCEEDINGS:

- 22.
- 1) The Association shall in each year hold a general meeting as its Annual General Meeting in addition to any other meeting in that year and shall specify in meeting as such in the notice calling it. The Annual General Meeting shall be held within six months after the expiry of the year.
 - 2) Annual General Meeting and Extraordinary general meetings may be convened by giving not less than 21 days' notice containing the Agenda for the meeting to every member. To consider any urgent business or in the case of an emergency, of which the Board shall be the sole judge, an Urgent extra-ordinary general meeting may be convened by giving 7 days' notice containing the Agenda for the meeting to every member.
 - 3) Any ten full members of the Association shall, by a requisition in writing, addressed to the Board and containing the reason for the requisitioning, require the Board to call a General Meeting of the members of the Association. The Board shall, within 15 days of the receipt of such a requisition, call such a General meeting by giving not less than 21 days' notice. If the Board shall refuse or neglect to call for such general meeting to be held within the time aforesaid, the signatories to the requisition shall have power themselves to call such general meeting to be held on such day as they themselves shall appoint.
 - 4) The business at an Annual General Meeting shall be:
 - a. To receive and consider the Board's report, Balance Sheet and Income and Expenditure Account and Auditor's report for the preceding year;
 - b. To elect the Directors to the Board;
 - c. To appoint an Auditor or Auditors and fix his or their remuneration;

- d. To transact any other business which may be brought forward by the Board or by any member with leave of the President or which may have been duly notified and placed on the Agenda by the Board as hereinafter provided including fixation of admission fee, rates of annual subscription, collection of deposit from members and rate of interest on deposits.
- e. If any member has any proposal or any matter which he wishes to make or bring before the Annual General Meeting, he shall give 15 days' written notice thereof to the Secretary of the Association who shall circulate the same to the members and place it at the meeting.
- f. Any member who wish to have pass any resolutions should give in writing to the association , the details before seven days to the date of AGM so that the details can be explained at the AGM

5) President of the Meeting :

At any General body Meeting, the President or in his absence, one of the Vice-Presidents, shall preside. In the absence of both, a Director of the Board chosen by the members present shall preside.

6) Quorum :

Ten full members or 20% of the membership of full members whichever is less present by their duly authorised representatives shall be the quorum for a General Meeting of the Association. A member entitled to attend and vote at the meeting can appoint a proxy who need not be a member in case the duly authorised representatives are not in a position to attend and vote at the meeting, and proxies may be appointed by sending the proxy form duly filled in and such form shall reach the Association 72 hours before the commencement of the general meeting. No business shall be transacted at any General Meeting unless the requisite quorum be present at the commencement of the business. If within 30 minutes from the time appointed for holding the meeting a quorum is not present, the meeting if called the time appointed for holding the meeting a quorum is not present, the meeting if called upon by the requisition of members, shall stand dissolved, In any other case,

the meeting shall stand adjourned to the same day in the next week, at the same time and place or such other day and at such other time and place, as the President of the meeting may determine. If at the adjourned meeting also, a quorum is not present within 30 minutes from the time appointed for the meeting, the members present either personally or by their duly authorised representative(s) or by proxies shall be a quorum.

7) Adjournment of Meeting :

The President may, with the consent of the members present, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

8) Voting :

- i] Each full member will have only one vote irrespective of the amount of subscription paid by him.
- ii] Voting at General Meeting shall be on secret ballot or on a show of hands. The president's declaration of the result of the same shall be final and conclusive and an entry to that effect in the Minute Book of the Proceedings of the Association, shall be conclusive evidence to that effect. The President of the meeting shall be entitled to a second or casting vote.

9) Invitees :

The President may invite such other person as he may, in his discretion decide, to attend (but not to vote at) any general meeting of the Association.

23. MINUTES :

The Association shall cause to be kept minutes of all proceedings of General Meeting, meetings of associate members and growers which shall contain a fair and correct summary of the proceedings thereat and a book containing such minutes shall be kept at the Registered Office of the Association and shall be open, during business hours, to the inspection of any member without charge. Nothing herein contained shall require or deem to require the inclusion in any such minutes of any matter which, in the opinion of the President of the meeting, (a) is, or could reasonably be regarded as, defamatory of any person, (b) is irrelevant or immaterial to the proceedings, or (c) is

detrimental to the interest of the Association. The President of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds. Any such minutes purporting to be signed by the President of the meeting at which the proceedings took place, or the President of the succeeding meeting, shall be conclusive evidence of the Proceedings. The minutes of the meetings shall be written in English.

24. BOARD OF DIRECTORS

- 1) The affairs of the Association shall be managed by the Board of Directors. The names, addresses and occupations of the first Executive Committee (Board of Directors) are as under:

S.No.	Name & Address	Occupation
1.	Shri. G. Varadaraj, S/o. Shri Ganga Naidu "Rajashree" 14, Huzur Road, Coimbatore- 641 018.	Industrialist
2.	Shri S. Devaraj, S/o. Shri Srinivasalu Naidu, 68-B, Race Course, Coimbatore-641 018.	Industrialist
3.	Shri K. Sundaram, S/o. Shri G.Kuppuswamy Naidu "Rasakondalu" Avanashi Road, Coimbatore- 641 018.	Industrialist

S.No.	Name & Address	Occupation
4.	Shri R.Doraiswamy, S/o. Shri Rangaswamy Naidu, 100, Naranapuram, Pappanaickenpalayam, Coimbatore – 641 037.	Industrialist
5.	Shri K. Venkatesalu, S/o. Shri Kondaswamy Naidu, “Green Banks”, Avanashi Road, Coimbatore – 641 018.	Industrialist
6.	Shri U.R. Joshi, S/o. Shri Ramji Joshi, M/s. U.R. Joshi & Co. 13/29, Ponnurangam Road, R.S. Puram, Coimbatore – 641 002.	Business
7.	Shri Hiralal P.Malani, S/o. Shri Padamshi, M/s. Kishore Padamshi, 19-A, East Ponnurangam Road, R.S.Puram, Coimbatore – 641 002.	Business
8.	Shri K.N.Viswanathan, S/o. Shri K.V.Narayanaswamy, M/s. C. Jayantilal & Co., 4, Syrian Church Road, Coimbatore – 641 001.	Business

S.No.	Name & Address	Occupation
9.	Shri M. Appuswamy, S/o. Shri Mariappa Chettiar, M/s. Sri Santhalakshmi Mills, Meenkarai Road, Pollachi – 642 004.	Business
10.	Shri M.G. Khona, S/o. Shri Govindji Jevat, M/s. M. Govindji & Co., 33, Bashyakaralu Road, R.S.Puram, Coimbatore – 641 002	Business

- 2) [I] The Board of Directors which shall be elected annually by the members at an annual general meeting shall consist not less than 3 Directors and not more than 30 Directors.
- [ii] The Board of Directors shall, among themselves, elect a President and two Vice-Presidents at a meeting of the newly elected Board of Directors to be convened immediately after the annual general meeting.
- [iii] The Board of Directors shall have powers to nominate not more than six Directors who are not connected with any of the panels and such co-opted Directors need not be members of the Association. Such Directors may be appointed by the Board of Directors from institutions, which in the opinion of the Board of Directors, may contribute to the functioning of the Association. These Directors will not be reckoned for the minimum and maximum number of Directors of Board prescribed under rule 24(2)(i).
- iv) The Board of Directors shall consist of eight representatives of the manufacturers' panel eight representatives of the traders' panel and eight representatives of the brokers panel. The growers and the associate members shall have one representative each elected from among the panel as per the procedure set out in Rule 21(4)

- v) Not more than four Directors shall be nominated by the Central Government in accordance with the provisions of sub-clause(b) of clause(2) of Sec.6 of the Forward Markets (Regulation) Act, 1952. Each such Director shall be entitled to attend and vote at all meetings of the Board of the Directors, at all general meetings of the Association and at all meetings of authorised representatives, save and except that he shall not be entitled to vote in respect of the election or appointment of a Director. In case the Central Government has not appointed one or more directors under this clause, the board shall function as if it is duly constituted notwithstanding such defining on the board.
- vi) Past Presidents will be Permanent Invitees to the Board. Board also can co-opt additional special invitees which will strengthen the activities of the Association. Special invitees should be of experts/experienced in cotton related activities/profession-services.
- 3) If for any panel there are less candidates within the number of seats provided for on the Board for that panel, the Board so constituted of such less number of Directors shall be deemed to be duly constituted and shall function notwithstanding such deficiency on the Board.
- 4) No Director of the Board shall be entitled to receive from the funds of the Association any remuneration or compensation, if any, as the members may vote in General Meeting, except that the nominees of the Central Government on the Board of the Association, shall be paid traveling allowance, daily allowance/or conveyance allowance for attending each meeting of the Board or any Sub-Committee or of the Association, at Government scale.
- 5) The Office of a Director in the Board shall ipso facto be vacated if :-
- a) he or the firm of which he is the authorised representative is adjudicated insolvent or if the company of which he is authorised representative is wound up or he or the firm or company of which he is the authorised representative compounds with his or its creditors; or
 - b) he be found to be a lunatic or of unsound mind or incapable of efficient attention to business; or
 - c) he absents himself from three consecutive meetings of the Board or from all meetings of the Board for a continuous

period of three months whichever is the longer, without leave of absence from the Board; or

- d) not being a Director nominated by the Central Government he ceases to be a Director, or is expelled from the Association, or if, being the authorised representative of a member, he ceases to be such authorised representative, or the members, whose authorised representative he is, ceases to be a member or is expelled from the Association; or
 - e) he resigns from his office; or
 - f) he or any of his relatives or partners or any firm of which he or any of his relatives is a partner or any private company of which he is a Director or member, without the sanction of the Association in General Meetings; accepts or holds any office of profit under the Association; or
 - g) he becomes disqualified by an order of Court; or
 - h) he becomes connected with any other Director of the Board in any of the following capacities, namely :-
 - as a member or manager or representative of the same firm or of the same Hindu joint family,
 - i) he is punished with imprisonment for a term of not less than six months for any criminal and cognizable offence.
- 6) No Director shall, as a member, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Association, if he is in any way, whether directly or indirectly, concerned or interested in such contact or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.
- 7) The Association may by special resolution, remove any Director of the Board other than a nominee of the Government of India before the expiration of his period of office, and appoint by an ordinary resolution another Director instead, the person so appointed shall hold office during such time only, as the Director in whose place he is appointed, would have held the same if he had not been removed.

25. CASUAL VACANCIES OF THE DIRECTORS :

In the case of casual vacancy of any Director before his term of office will expire in the normal course, the Board shall co-opt another Director in his place. However, the co-option of another Director shall be from the same panel from which the Director was elected earlier. The Director so appointed shall hold office only upto the period upto which the Director in whose place he is appointed would have held office if he had not vacated if as aforesaid.

26. ELECTION OF DIRECTORS OF THE BOARD

- 1) The nomination for election as a Director in the Board shall be filed in the Association in the prescribed form at least 7 days before the date of the Annual General Meeting of the Association.
- 2) The candidate contesting for election shall file his nomination in the prescribed form duly proposed and seconded by two members of the panel to which he belongs.
 - a) Proposer/ Secunder should be two different persons belong to two different members for admissions/filing nominations
 - b) A full member while filing his nomination for directorship should have a minimum three years continuously as full member of ICF
- 3) The withdrawal of nominations for election field shall be done three days before the date of the Annual General Meeting.
- 4) If there are more number of contestants from any panel than the number of seats provided for in the Board for such panel, the candidates to the Board to represent such panel, shall be elected in an election duly conducted either by a show of hands or by secret ballot as may be decided by the President at the annual general meeting. The authorised representatives or proxies attending the annual general meeting shall cast their votes in favour of the number of representative to be elected from among the candidates contesting the election. If the number of candidates who have filed the nomination are equal or less than the number of seats provided in the Board for the panel, such candidates shall be declared elected without holding an election.
- 5) The decision of the President of the meeting on the result of the election shall be final and binding.

- 6) The Directors elected to the Board at the Annual General Meeting shall hold office till the Directors of the Board are elected at the next Annual General Meeting.

27. LOCAL COMMITTEES :

Local Committees consisting of five or more members each may be set up in such areas as may be determined by the Board from time to time for the day-to-day management and the functions of the Association in the respective areas. The powers and functions of the local Committees will be decided by the Board from time to time.

28. POWERS OF THE BOARD OF DIRECTORS :

- 1) The Board shall be entitled to exercise all such powers and to do all such acts and things as the Association is authorised to exercise and do.

Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by these Rules or otherwise to be exercised or done by the Association in General Body Meeting.

Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in these Rules or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Association in General Body Meeting.

- 2) In furtherance of and without prejudice to the general powers conferred by or implied under these Rules, it is hereby expressly declared that the Board shall be entrusted with and may exercise and perform the following powers and duties.
 - a. To appoint Sub-Committees for special purposes and to delegate to such Sub-Committees such functions and powers as may be necessary.
 - b. From time to time, make, vary, amend, repeal and re-enact by-laws and regulations not inconsistent with these Rules as may be necessary or expedient or convenient for the proper conduct, management and control of the affairs of the Association, Sub-Committee, its members and its properties and effects and for effectuating its purposes and objects.

- c. To engage and dismiss any officer, officers, servants and employees of the Association and to determine their respective powers and duties and to fix their salaries or remuneration and their conditions of service and privileges.
- d. To determine and to make arrangements as to who shall be entitled to sign on the Association's behalf cheques, bills, receipts, vouchers, hundies, contracts and other deeds and documents of whatsoever nature.
- e. To enter into all negotiations and contracts and to rescind and vary all such contracts and to do all such acts, deeds and things in the name and on behalf of the Association as it may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Association.
- f. To purchase and deal with and sell or otherwise dispose of all articles and things as also to purchase, take on lease or otherwise acquire, and sell, assign, transfer or otherwise acquire, and sell, assign, transfer or otherwise dispose of such lands, buildings, house or other immovable property as may be necessary or expedient for the purposes of the Association and to pay or receive payment for the same in case or otherwise.
- g. To commence, institute, prosecute and defend all such actions, suits and other proceedings as the Board may deem necessary or expedient on behalf of the Association and to compromise or submit to arbitration the same as it may in its discretion think best.
- h. To invest and deal with any of the moneys of the Association upon security and in such manner as it may think fit and from time to time vary, transpose or realize such investments.
- i. From time to time at its discretion to raise or borrow any sum or sums of money for the purpose of the Association and to secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as it may think fit.
- j. To decide all questions of doubt or difficulties with regard to the working of the Association or the interpretation of these regulations or the rules or bye-laws made by the Board.

29. DELEGATION OF POWERS :

The Board may at any time to time delegate the powers, authorities and discretion (with or without powers of sub-delegation) for the time

being vested in the Board to any Director of the Board, Officer or other employee of the Association. On such delegation of powers, the person or persons concerned shall be entitled to act for and in the name of the Board and all acts done and orders made under the powers so delegated shall have the like force and effect as acts and orders of the Board provided always that the Executive shall, without affecting any acts done or orders made by the person or persons holding such delegated power, be entitled from time to time direct the discontinuance of the delegation of power.

30. SECRETARY :

The Board may appoint any person as the Secretary of the Association and fix his remuneration and define his powers and duties and delegate to him such functions as it may deem desirable or expedient. The Secretary shall function in accordance with the instructions and under the supervision and control of the Board.

31. PROCEEDINGS OF THE BOARD

- 1) Meetings of the Board shall be held at least once in every three months at such time and place as may be determined from time to time by the President or the Secretary.
- 2) Seven days' notice shall be given to the members and authorised representatives of the Board.
- 3) Emergent meetings may be convened at three days' notice by telegram.
- 4) The President and in his absence one of the Vice-Presidents and in their absence a member elected as such, shall be the President of the meeting.
- 5) Three Directors present shall form the quorum for the meetings, a director and his alternate director being treated as one director only.
- 6) The agenda for the Board meeting shall be circulated in advance. Any matter not included in the agenda of the meeting can be taken up for consideration if the President deems it essential.
- 7) The Board shall dispose of the subjects placed in the agenda by majority of votes. In case of equality of votes in any poll, the President shall have a casting vote in addition to his own vote.

- 8) When a principal member is present in a meeting, only the principal member shall have the right to vote.
- 9) In the absence of quorum whether at the beginning or during the course of a meeting, the meeting shall be adjourned.
- 10) On the request of not less than three Directors of the Board to convene a meeting for considering a subject mentioned by them the President and Vice Presidents or the Secretary shall convene a meeting of the Board.
- 11) A resolution in writing sent to all the members of the Board and approved by a majority of them shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted.

32. PROPERTY AND FUNDS OF THE ASSOCIATION :

The property, both movable and immovable, and the funds of the Association may be held in the name of the Association, and be under the control of the Board for the time being and no part of the property of the Association shall be sold, assigned, gifted, transferred, conveyed or otherwise disposed of without the authority of the Board.

33. ACCOUNTS :

- 1) The financial year of the Association shall end on the 31st March of each year to which date the accounts of the Association shall be made up.
- 2) The accounts of the Association shall be audited by a duly qualified auditor or auditors who shall be appointed at each Annual General Meeting and his or their remuneration fixed.

34. ANNUAL REPORTS :

The Board shall submit to the members 15 days in advance of the Annual General Body Meeting, a report of the work done by the Association together with a statement of accounts showing all monies received and expended during the previous year ended on 31st March and a Balance Sheet containing a summary of the assets and liabilities of the Association made up to the said day of the financial year.

35. NOTICE :

- a) A notice may be given by the Association to any member either personally or by sending it by post to his registered address or to the address, if any supplied by him to the Association for the giving of notice to him.
- b) Where a notice is sent by post, service of notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post.

36. THE SEAL :

The Board shall provide a Common Seal for the purposes of the Association and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or by a Committee of the members previously authorised and in the presence of two members of the Association and its Secretary (if any) or some other person appointed by the Board for the purpose.

37. INDEMNITY :

Every Director of the Board, Secretary, and other Officer or servant of the Association shall be indemnified by the Association and it shall be the duty of the Board out of the funds of the Association to pay all costs, losses and expenses which any such Director of the Board, Secretary or other Officer or servant may incur or may become liable to by reason of any contract entered into or act or thing done by him as such Officer or servant or in any way in the discharge of his duties.

38. The Secretary of the Association shall be the person authorised by the Association to sue or to be sued on behalf of the Association. He will further be the person empowered to give directions in regard to the business of the Association.

39. ARBITRATION :

Whenever any dispute or difference arises between members inter se out of or in relation to any contract or transaction in cotton (including unpaid claims, whether admitted or not and including any dispute or difference as to the existence, validity or otherwise of such contract or

transaction), the same shall be referred to arbitration in such manner as shall be prescribed by the Bye-laws. And it is hereby expressly declared that this shall be deemed to be an agreement of arbitration, and the holding of such an arbitration and the obtaining of an award thereunder shall be a condition precedent to the right of any member in respect of such dispute or difference as aforesaid, and no member shall have any right of action against any other member except to enforce the award in any such arbitration.

40. DISSOLUTION OF ASSOCIATION :

- 1) The Association may at any time be dissolved by the consent of 75% of the voting strength of members of the Association entitled to vote and voting in a meeting specially convened for the purpose, for which fourteen day's previous notice in writing has been given to all members specifying the intention to purpose such a resolution; provided always that at such a meeting the quorum shall be 75% of the voting strength of the Members.
- 2) If upon dissolution of the Association there remains, after the satisfaction of all its debts and liabilities, any property whatsoever the same shall not be paid to or distributed among the Members of the Association, but shall be given or transferred to some other institution, or institutions having objects similar to the objects of the Association to be determined by the members of Association at or before the time of dissolution.

41. AMMENDMENT, VARIATION AND RECISSION OF RULES :

No rules shall be amended, varied and / or rescinded except with the consent of three-fourths of the voting strength of the Members voting at a meeting specially called for the purpose by the Board. The Procedure laid down in Sec.12 of the Societies Registration Act shall be followed for amending Memorandum.

We the several persons whose names and addresses are given below, being signatories to the Memorandum of the Association, subscribe to the Rules and Regulations of the Association also.

S.No.	Name & Address	Occupation	Signature
1.	Shri G. Varadaraj, S/o. Shri Ganga Naidu, “Rajashree” 14, Huzur Road, Coimbatore – 641 018.	Industrialist	Signed
2.	Shri S. Devaraj, S/o. Shri Srinivasalu Naidu, 68 – B, Race Course, Coimbatore – 641 018.	Industrialist	Signed
3.	Shri K. Sundaram, S/o. Shri G. Kuppuswamy Naidu, “Rasakondalu”, Avanashi Road, Coimbatore – 641 018.	Industrialist	Signed
4.	Shri R. Doraiswamy, S/o. Shri Rangaswamy Naidu, 100, Naranapuram, Pappanaickenpalayam, Coimbatore – 641 037.	Industrialist	Signed
5.	Shri K. Venkatesalu, S/o. Shri Kondaswamy Naidu, “Green Banks”, Avanashi Road, Coimbatore – 641 018.	Industrialist	Signed
6.	Shri U.R. Joshi, S/o. Shri Ramji Joshi, M/s. U.R.Joshi & Co., 13/29, Ponnurangam Road, R.S.Puram, Coimbatore – 641002.	Business	Signed

S.No.	Name & Address	Occupation	Signature
7.	Shri Hiralal P.Malani, S/o.Shri Padamshi, M/s.Kishore Padamshi, 19-A,East Ponnurangam Rd., R.S.Puram, Coimbatore- 641 002.	Business	Signed
8.	Shri K.N.Viswanathan, S/o.Shri K.V.Narayanaswamy M/s.C.Jayantilal & Co., 4,Syrian Church Road, Coimbatore – 641 001	Business	Signed
9.	Shri M.Appuswamy, S/o. Shri Mariappa Chettiar, M/s. Sri Santhalakshmi Mills Meenkarai Road, Pollachi – 642 004	Business	Signed
10.	Shri M. G. Khona, S/o. Shri Govindji Jevat, M/s. M. Govindji & Co., 33, Bashyakaralu Road, R.S.Puram, Coimbatore – 641 002.	Business	Signed

Witnesses : 1. T.Rangaswami
Secretary
The Southern India
Millowners' Association
Race Course, Coimbatore- 641018

2. R.M. Subramaniam
Asst. Secretary
The Southern India Millowners' Association
Race Course, Coimbatore – 641018.

Dated the 19th Day of June 1978, Coimbatore.