

**MEMORANDUM OF ASSOCIATION
AND
BYE - LAWS
OF
SILK MARK ORGANISATION OF INDIA**

**MEMORANDUM OF ASSOCIATION
OF
“SILK MARK ORGNISATION OF INDIA” [SMOI]**

1. Name of the Association shall be **“SILK MARK ORGANISATION OF INDIA”** [hereinafter referred to as SMOI]
2. The Registered Office of the SMOI shall be situated at Bangalore in the State of Karnataka.
3. **The aims and objects of the SMOI are as follows:**
 - a) To provide a Scheme in the name of SILK MARK Scheme to the manufactures, traders and consumers of silk which will facilitate ‘generic promotion of silk and consumer protection. The Silk Mark aims to create awareness among the consumers about the silk products in general and its purity and quality aspects in particular and to have a logo for generic promotion of silk.
 - b) To provide various Export Utility Services to the Silk Exporters. Importers and manufactures such as Voluntary Quality Inspection, Sample Testing silk product including raw silk yarn, Issue of GSP and Other Tariff Certificates, Export Training Programme and conducting Technical Survey etc.
 - c) To earn revenue through service charges collected for various services rendered to various sections of the silk trade.
 - d) To receive and accept financial support from the Ministry of Textiles, Government of India, State Governments, Statutory Boards/ Corporations or any National or International Agencies with due approval of permissions wherever required.
 - e) To receive and collect any subscriptions and donations or acquire by any other lawful way and means and spent the same in fulfillment of all or any of the aims and objects of the SMOI. The income and properties of the association shall be applied solely for the promotion and fulfillment of the aims and objects of the SMOI.
 - f) To do all such other lawful acts, deeds and things as are incidental and conducive to the attainment of the objects or any of them.
 - g) To apply the income and profits of the association for the fulfillment of its objects only and not to apply or pay any portion thereof by way of profits or dividends or bonus.
 - h) ¹**[To extend and make available all the benefits of the association to all, irrespective of castes, creed or religion.]**

1. New clause inserted in the AGM held on _____

4. ²***[Investment of Funds:***

The funds of the association shall be invested in the modes specified under the provisions of section 13(1)(d) read with section 11(5) of the Income Tax Act, 1961, as amended from time to time. Presently, the funds of the organization shall be invested in the following manner:

1. *In Nationalised/ scheduled/cooperative/commercial banks.*
2. *Postal Savings Accounts and*
3. *In any other securities (specified in Section 20 of the Indian Trust Act 1882).]*

5. ³***[The Income and the property of the association, wheresoever derived from, shall be applied solely for the promotion of the objects of the association and no portion of the income and property of the association shall be paid, applied or transferred directly or indirectly by way of dividends, bonus or otherwise how-so-ever by way of profit to any member of the association or any person claiming through any of the members provided that nothing hereto contained shall prevent the payment in good faith of remuneration or reward to any officer, employee or servant of the association or any member of the association or other persons in return for any service actually rendered to the association]***

6. Without prejudice to the generality of the above objects and for effectively carrying out the same the SMOI shall have power of receive, hold and process any property including security of any kind and to dispose off or deal in any property or security and to enter into any contract for or in connection with the purposes of the association to raise moneys and funds including debentures and to establish provident fund or funds for the benefit of the employees of SMOI and to accept the management of any trust or endowment in which the SMOI may be interested. The SMOI shall have also have the power to frame rules and bye-laws under this constitution.

7. The rights and powers of the SMOI under these presents shall be exercised in such a manner that they are in compliance with and not inconsistent with the provisions of the Income –Tax Act, 1961 and the rules made thereunder and in particular the investments shall be made in accordance with the provisions of Section 13(5) of the Income Tax Act.

8. The management and control of the SMOI shall be in the hands of Committee of Administration (COA) and shall be carried on in accordance with the rules as may be framed or modified from time to time by the COA.

9. ⁴***[No amendments to the memorandum of association/ byelaws/ rules and regulations shall be made which may prove to be repugnant to the provisions of section 2(15), 11, 12, 13 and 80G of the Income Tax Act, 1961, as amended from time to time. Further, no amendment shall be carried out without prior approval of the Commissioner of Income Tax.]***

2. This clause has been moved from Bye-Laws to MoA in the AGM held on _____

3. New clauses inserted in the AGM held on _____

4. New clauses inserted in the AGM held on _____

10. ⁵*[If upon the dissolution or winding up of the association, there remains after satisfaction of all 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 those of the association, which enjoys recognition under section 80G of the Income Tax Act, 1961, as amended from time to time to be determined by the votes of three-fourths of the members of the association for the time being present personally at the time of dissolution or winding up thereof, by the court having jurisdiction in the matter]*

11. **MEMBERS:**

The following persons shall be permanent members of the COA.

1. Member Secretary, Central Silk Board [Chairman].
2. Chief Executive SMOI.
3. Nominee of CSB, not below the rank of Director.
4. Executive Director ISEPC, Mumbai.
5. Representative of KSIC, Bangalore [not below the level of General Manager]
6. Representative of CO-Optex, Tamilnadu [not below the level of General Manager]
7. Director of Sericulture, Govt. of Assam.
8. In addition to the above the following would be the elected members of the committee of Administration: -
 1. 3 [Three] representative from Special Members
 2. 4 [Four] representative from Ordinary Members.
9. The elected members shall retire from Committee of Administration [COA] at the first Annual General Meeting of SMOI. They would however be eligible for re-election from their respective category. The term of office for the elected members in COA shall be one year and they hold office until the next Annual General Meeting.
10. The Special and Ordinary Membership is defined under By-law III.

5. *New clause inserted in the AGM held on _____*

SL.NO	NAME AND DESIGNATION	ADDRESS	AGE	SIGNATURE
1	P.Joy Oommen Member Secretary	C.S.B Staff Quarters, Vani Vilas Road, Bangalore - 560 004 Chairman	51	
2	P.K.Mandal Deputy Secretary[Insp.]	C.S.B. Staff Quarters, Block- III D- 23, Madivala, BTM Layout, Bangalore 560 068 Secretary	57	
3	Dr. B. Saratchandra Director	E.S Staff Quarters, C.S.B Residential Complex, Vani Vilas Road, Basavanagudi Bangalore - 560 004 Director	50	
4	P.M. Govande Executive Director	15 EPC, 62 Mittal Chambers Nariman Point Mumbai –21 Chief Executive	44	
5	L.H. Kant General Manager	Karnataka Silk Industries Corp Ltd. III rd Floor, DUB M.G.Road Bangalore - 560 001 Member	55	
6	V. Gunasekaran General Manager (Production)	Co- Optex 350, Pantheon Road, Egmore, Chennai –8 Member		
7	S.P. Nandy Director of Sericulture Assam	Rukmingoan Hanfed Complex (GAS Quarters) Member		
Witness:	1 K.N. Meenakshi, W/o L.S. Vijayakumar, No 696, 4th Cross, III Block, III Phase, BSK III Stage, Bangalore - 560 085	P.B.V. Shankar, Door No. 222, I 'B' Main Road, Kengeri Upanagar, Bangalore - 560 060		
PLACE: BANGALORE DATE: 31-12-2003				

BYE- LAWS
OF
“SILK MARK ORGNISATION OF INDIA” [SMOI]

- I. These Bylaws may be called the Byelaws of The Silk Mark Organisation of India [hereinafter referred to as the SMOI]
- II. The provisions of these bylaws shall govern and shall apply to all the activities of the SMOI.
- III. **Membership:**
 1. Permanent Members
 2. Special Members: -
 - a) State Apex Co –op. Societies.
 - b) Corporate Bodies
 - c) Govt. Department and Govt. sponsored societies
 3. Ordinary Member
 4. Associate Members

1. Permanent Members: -

The Permanent Members are those eight members who are specified under clause 7 of the MOA and who represent, Govt. of India, Central Silk Board, ISEPC and other State Govt. Agencies. These members are not liable to retire by rotation and they assume the membership by virtue of their position in their respective Department, Board on Govt. Agency. The Permanent Members have full voting rights and are exempt from payment of Membership Fee or renewal fee.

2. Special Members: -

The State Apex Co- operatives, Govt. Departments, Govt. sponsored societies and corporate bodies are eligible to become special members on payment of special membership fee. The Special Members fee shall be fixed by he COA. The Special Members have voting rights and they are eligible to nominate three of their representatives in the COA.

3. Ordinary Members: -

The Ordinary Membership is open to other institutions, Firms, Sole Proprietorship and individuals on payment of fee to be fixed by the COA. The Ordinary Members have voting rights and they are eligible to nominate four of their representatives in the COA.

4. Associate Members: -

Associate membership will enable anybody to have access to the benefits services offered by SMOI. The Associate members shall pay a nominal membership fee, as may be fixed by COA and renew their Membership every year by paying a renewal fee for availing of services/ benefits of SMOI. The Associate members shall not have any voting rights and do not represent in the managing committee [i.e. COA].

IV. **FINANCIAL RESOURCES:**

A. Registration and Renewal Fee:

The Organization will charge and receive Registration Fee from the prospective beneficiaries like Silk Co-op. Societies, Silk Exporters/ Traders, Silk Export Promotion Bodies, Consumers etc.; and also collect renewal fees for availing the services and facilities offered by the organization.

B Receive and accept financial support from the Ministry of Textiles, Government of India, State Governments, Statutory Boards, Corporations or any National Or International agencies with due approval and permission wherever required.

C Internal revenue generation.

D. Any other source as may be decided by the Governing Body.

V. **MANAGING COMMITTEE:**

The Management and control of the SMOI shall be in the hands of a Committee of Administration [COA]. The Committee of Administration shall have 7 permanent members. In addition 7 members would be elected by members of SMOI every year out of which 3 would be from amongst special members and 4 from amongst ordinary members. The permanent members are as under: -

1. Member Secretary, CSB who would be ex-officio Chairman of the COA.

2. Chief Executive of SMOI [Nominee of CSB].

3. Nominee of CSB not below the rank of Director.
4. Executive Director, ISEPC, Mumbai
5. Representative of KSIC, Bangalore [not below the level of General Manager]
6. Representative of Co- Optex, Tamilnadu [not below the level of General Manager]
7. Director of Sericulture, Govt. of Assam.

The Chairman shall preside over all the committee meetings and general Body meetings and the Vice- Chairman shall take the chair in the absence of the Chairman.

The Committee shall have necessary powers to carry out the objective set out here in above and shall do all such acts and things as are directed to be exercised by these by-laws.

VI. QUORUM FOR THE COMMITTEE MEETINGS:

The Committee shall meet at least once in every three months. However, the Chairman/ Vice- Chairman can direct the convening of a committee meeting even earlier by giving notice of not less than seven days, if there is any urgent matter to be discussed and decided at the meeting. The committee shall have a quorum of at least four members of which at least two shall be nominee of GOI or CSB. The Chairman/ Vice – Chairman, as the case may be, chairing the meeting, is not entitled to vote at the meeting but shall cast his vote in the event of a tie.

VII DUTIES AND RESPONSIBILITIES OF THE COMMITTEE:

- a. Collection of Registration and Renewal fees and other charges for the services rendered and raising of corpus fund, issuing receipts thereof and accounting the same.
- b. Carrying out the objectives of the SMOI, incurring expenses in this connection and maintaining proper accounts.
- c. To maintain a Register of Members with their full particulars and such other relevant information.
- d. To maintain a Register containing minutes of the Committee meetings and General body meetings.
- e. ¹*[To maintain all accounts of the association regularly.]*
- f. To appoint a Chartered Accountants as auditor and to arrange for the audit of the accounts of the Organization.

1. New clause inserted in the AGM held on _____

- g. To conduct periodic review of membership, finances available and required etc., and to explore ways and means of collecting more funds for the fulfillment of the objective of the organization.
- h. To present and place before the General Body Meeting a report on the activities of the organization and to place the annual accounts for adoption.
- i. And such other matters which are not specifically referred to herein.

VIII FINANCIAL YEAR AND AUDIT:

- a) ²*[The First Financial Year shall be for the period commencing from the date of registration of the Organization and ending on the following 31st of March and thereafter the financial year shall be for the period of 12 months from 1st April to 31st March of the subsequent/ next year.]*
- b) ³*[At each Annual General Meeting a qualified Chartered Accountant/Firm of Chartered Accountants shall be appointed. The auditor shall submit a report on the Income and Expenditure account and Balance Sheet of the Association presented by the Executive Committee. The minutes of the meeting of the Executive Committee and of the General Meeting, books of accounts, the correspondence and in general, all records of the association as well as any data required for the carrying on of the audit shall upon a requisition by the Auditors, be submitted to them.]*

IX. ANNUAL GENERAL MEETING:

The First Annual General Meeting of organization shall be held on or before 30th June 2004. Thereafter the annual general meeting shall be held every year but not later than 14 months after the previous annual general meeting in accordance with Section 11 of the Karnataka Societies Registration Act, 1960.

The annual general meeting shall have a quorum of not less than 5 members and shall transact inter alia the consideration of audited accounts auditors report, COA report, election of Committee members, appointment of auditors and such other matters as may be brought before it. The first Annual General Meeting shall approve these bye- laws.

X. SPECIAL MEETING:

It shall be the duty of the Chairman, to call a special general body meeting if the committee makes a request thereof supported by a motion signed by at least 25% of the members. Any special matter of urgency which could not be discussed at the Annual General Body Meeting can be brought before the special meeting, but for passing resolutions regarding amendments of bye laws and or supercession of committee of administration, shall vote at least a 2/3rd majority of the members as per the register of members as per Section 11[3] of the Karnataka Societies Registration Act, 1960.

2. Amended by deleting the sentence regarding appointment of auditors by Managing Committee in the AGM held on _____

3. New clause with regard to appointment of CA at each AGM inserted in the AGM held on _____

XI. NOTICE OF MEETING:

It shall be the duty of the Secretary to mail or send a notice of the annual general body meeting to all members stating the purpose of as the time, and venue of the meeting at least 21 days prior to such meeting. If any member is desirous of proposing any subject for discussion at such meeting, he shall inform the committee at least 7 days before such meeting.

XII. ADJOURNED MEETING:

If any meeting of the general body cannot be held due to want of quorum or any other reason, such meeting may be adjourned by not less than 48 hours. The quorum for this purpose shall consist of a minimum of 4 members.

XIII. BANK ACCOUNT:

In order to keep/invest the funds of the organization, bank accounts shall be opened in one or more banks, as provided in Para XIII above, by the Chairman and Chief Executive jointly. They will also have the power to deposit and or withdraw from such accounts and generally to do all such things, which may be necessary to operate such accounts.

XIV. AMENDMENT OF BYE LAWS:-

The General Body may amend any of these clauses and /or introduce new clauses without affecting the basic structure and or the objectives of the organization, as provided above.

- a) Alterations or amendment to the Memorandum of Association or rules and regulations shall be made as per section 9 of K.S.R. Act. 1960.
- b) Change of name or rules and regulations shall be made as per section 19 of K.S.R. Act, 1960.
- c) In case of the dissolution of the association arises, section 22 and 23 of the K.S.R. Act, 1960 shall apply.
- d) In case of amalgamation of the association shall be as per section 21 of the K.S.R. Act, 1960.
- e) For the things and matters which have been specifically provided for herein above, provisions of the K.S.R. Act, 1960 and the Rules 1961 made thereunder shall apply.

XV. WORKING HOURS:

The working hours of SMOI will be from 9.30 AM to 1.30 PM and 2.00 PM to 6.00 Pm on Monday to Friday. The SMOI will remain closed on Saturday and Sunday and other Government Holidays as per Negotiable Instruments Act.