



CEPC
CARPET EXPORT PROMOTION COUNCIL, INDIA

कालीन निर्यात संवर्धन परिषद् CARPET EXPORT PROMOTION COUNCIL

(Set up by Ministry of Textiles, Govt. of India)

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No. CEPC/SEC/EGM-AUG/2019

Dated: 1st August, 2019

Sub.: **NOTICE FOR CONVENING EXTRA ORDINARY GENERAL MEETING**

Notice is hereby given that **Extra Ordinary General Meeting (EGM)** of the members of Carpet Export Promotion Council will be held on **Monday, the 19th August, 2019 at 10.30 a.m. in 2000 Hall, Hotel Le Meridien, Windsor Place, Janpath, New Delhi - 110001** to consider and if thought fit to pass with or without modification the following resolutions:

RESOLVED THAT -

Resolution No. 1.

Committee unanimously resolved to amend in the Articles of Association of **Article No. 24 as under :**

- 24.1. The Members of the Council shall, as soon as possible, after the 01st April each year, **elect Members of the Committee of Administration amongst themselves** belonging from the respective Category for which the term of Committee of Administration members is due.
- 24.2. All Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, **elect First Vice-Chairman from the Committee of Administration** belonging from the respective Category for which the term of First Vice-Chairman is due.
- 24.3. All Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, **elect Second Vice-Chairman from amongst themselves** belonging from the respective Category for which the term of Second Vice-Chairman is due.
- 24.4. The Chairman of the Council in terms of these Articles, on its formation, shall be elected from amongst members belonging to Category (i) above, the First Vice-Chairman shall be elected from amongst the COA members belonging to their respective Category (ii) and the Second Vice-Chairman shall be elected from amongst the members belonging to their respective Category (iii). The Office of the Chairman will be by rotation from amongst the three Categories. The tenure of Chairman shall be for a fixed period of two years. There is no bar to re-election but there has to be a gap of two terms. No Category can hold the Chairmanship for more than one term of two years. On the expiry of the term of the Chairman, the First Vice-Chairman shall automatically become Chairman and the First and Second Vice-Chairman should be so elected as to give representation to all three Categories. There shall be no election to the Office of the Chairman as the First Vice-Chairman will automatically become Chairman. However, the First Vice-Chairman will take charge of Chairmanship on the date of

AGM, unless he decline to accept the post of Chairman or he is removed from the post of Vice Chairman by a no-confidence vote of not less than 2/3rd of the COA Members. The resolution regarding no-confidence will have to be put to vote on the same pattern of direct election as followed during the time of election to the post of Vice Chairman. In case all eligible Members of the Council approve the no-confidence resolution then all eligible Members of the Council shall elect First Vice-Chairman from the existing Committee of Administration belonging from the respective Category for which the term of Chairman is due and thus elected, First Vice Chairman will take charge of Chairman immediately. Member from the same category cannot hold the posts of Chairman, First Vice Chairman and Second Vice-Chairman simultaneously. The term of the Chairman and Vice-Chairmen shall be two years while the Members of the Committee of Administration shall be three years.

- 24.5. However, as soon as possible and immediately after the Election Rules are duly approved and adopted, the General Body shall have to be held -
- a. Each year **to elect 1/3rd Members of the Committee of Administration** from amongst the General Members of the Council.
 - b. Every two years when the elections of **1st Vice-Chairman** is due to elect, **firstly as Member of the Committee of Administration** from the General Members of the Council and **Secondly, to elect as First Vice-Chairman** from the Members of the Committee of Administration and in case, if the Committee of Administration Member is not elected as First Vice-Chairman he will continue to hold the office of the Member of the Committee of Administration belonging from the respective Category for which the term of First Vice-Chairman is due for Election.
 - c. Every two years **to elect Second Vice-Chairman** when the elections of **2nd Vice-Chairman** is due from amongst the General Members of the Council.

Resolution No. 2.

Committee unanimously resolved to amend and substitute Para No. 3. A. (IV.b) of the Election Rules of the Council by the following:

3. A.IV.b.1) All the **Eligible** Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, **elect First Vice-Chairman from the Committee of Administration** belonging from the respective Category for which the term of First Vice-Chairman is due.
3. A.IV.b.2) All **Eligible** Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, **elect Second Vice-Chairman from amongst themselves** belonging from the respective Category for which the term of Second Vice-Chairman is due.
3. A.IV.b.3) The **Eligible** Members of the Council shall, as soon as possible, after the 01st April in each year, **elect Members of the Committee of Administration amongst themselves** belonging from the respective Category for which the term of Committee of Administration members is due.
3. A.IV.b.4) All the **Eligible Members of the Committee of Administration shall have the right to stand for election as First Vice-Chairman** belonging from the respective category

for which the term of First Vice-Chairman is due, where as Eligible Council Members shall have the right to stand for election as Second Vice-Chairman or Members of the Committee of Administration from amongst themselves belonging from the respective Category for which the term of Second Vice-Chairman or Members of the Committee of Administration is due.

3. A.IV.b.5) In case of COA member elected to the office of 1st or 2nd Vice-Chairman will have to relinquish the charge of COA member in the event of declaration of Election Results. The resultant vacancy will be filled by “Bye Election” for which date to be decided by COA. Such Election will take place as per procedure prescribed in Election Rules.
3. A.IV.b.6) The first elected Chairman of the Council in terms of these Articles, on its formation, shall be elected from amongst members belonging to Category (i) above, the First Vice-Chairman shall be elected from amongst the COA Members belonging to Category (ii) and the Second Vice-Chairman shall be elected from amongst the Members belonging to Category (iii). The office of the Chairman will be by rotation from amongst the three Categories. The tenure of Chairman shall be for a fixed period of two years. There is no bar to re-election but there has to be a gap of two terms. No Category can hold the Chairmanship for more than one term of two years. On the expiry of the term of the Chairman, the First Vice-Chairman shall automatically become Chairman and the First and Second Vice-Chairman should be so elected as to give representation to all three Categories. There shall be no election to the Office of the Chairman as the First Vice-Chairman will automatically become Chairman. However, the First Vice-Chairman will take charge of Chairmanship on the date of AGM, unless he decline to accept the post of Chairman or he is removed from the post of Vice Chairman by a no- confidence vote of not less than 2/3rd of the COA Members. The resolution regarding no-confidence will have to be put to vote on the same pattern of direct election as followed during the time of election to the post of Vice Chairman. In case all eligible Members of the Council approve the no-confidence resolution then all eligible Members of the Council shall elect First Vice-Chairman from the existing Committee of Administration belonging from the respective Category for which the term of Chairman is due and thus elected, First Vice Chairman will take charge of Chairman immediately. Member from the same category cannot hold the posts of Chairman, First Vice-Chairman and Second Vice-Chairman simultaneously. The term of the Chairman and Vice-Chairmen shall be two years while that of the Members of the Committee of Administration shall be three years.
- A.IV.b.7) However, as soon as possible and immediately after the Election Rules are duly approved and adopted, the General Body shall have to be held -
- a. Each year **to elect 1/3rd Members of the Committee of Administration** from amongst the General Members of the Council.
 - b. Every two years when the elections of **1st Vice-Chairman** is due to elect, **firstly as Member of the Committee of Administration** from amongst the General Members of the Council and **Secondly, to elect as First Vice-Chairman** from the Members of the Committee of Administration and in case, if the Committee of Administration Member is not elected as First Vice-Chairman he will continue to hold the office of the Member of the

Committee of Administration belonging from the respective Category for which the term of First Vice-Chairman is due for Election.

- c. Every two years **to elect Second Vice-Chairman** when the elections of **2nd Vice-Chairman** is due from amongst the General Members of the Council.

Members are requested to make it convenient to attend the EGM.

Note : Please note that in case of adjournment due to lack of quorum, the adjourned meeting shall be held after one hour on the same date and place i.e. **on 19th August, 2019 at 12.00 p.m..**

By Order of the Committee of Administration



(Sanjay Kumar)

Place : New Delhi

Executive Director-Cum-Secretary

Encl.: Comparative Statement of existing provisions and proposed amendments in the Articles of Association and Election Rules of the Council.

Explanatory Statement Under Section 102 (1) of The Companies Act, 2013.

The Committee of Administration in its 179th meeting held on 28th June, 2019 at New Delhi considered the directive conveyed vide letter No. M-11013/8(1)/2014-MSS(IM)/782 dated 18th June, 2019 from O/o. the Development Commissioner (Handicrafts), Ministry of Textiles, New Delhi regarding Amendments to Articles of Association and Election Rules of the Council as approved by the General Body of the Carpet Export Promotion Council (CEPC) directing to convene EGM immediately after redressal of all the grievances raised by the Members of the CEPC and incorporate the desired amendments in the Memorandum and Articles of Association (M&AOA) and Election Rules of the Council as stated in Department of Commerce letter No. 12/2/2013-E &MDA dated 7th December, 2015.

Keeping in view of the above directives, it has been decided to amend the Articles of Association of this Council. Accordingly a Comparative Statement showing the Existing and Proposed Amendments in the Articles of Association and Election Rules of the Council alongwith Explanatory Note is given herein under for consideration of the Members :

A. Amendments in the Articles of Association.

Article No.	Existing Provision	Proposed Amended Articles
24	The Members of the Council shall as soon as possible after 1 st April each year, elect First Vice-Chairman, Second Vice-Chairman and other Members of the Committee of Administration from amongst themselves. Council Members shall have the right to stand for election as First Vice-Chairman, Second Vice-Chairman or Members of Committee. The Chairman of the Council in terms of these Articles, on its formation, shall be elected from amongst members belonging to Category (i) above, the First Vice-Chairman shall be elected from amongst the members belonging to Category (ii) and the Second Vice-Chairman shall be elected from amongst the members belonging to Category (iii). The office of the Chairman will be by rotation from amongst the three Categories. The tenure of Chairman shall be for a fixed period of two years.	<p>24.1. The Members of the Council shall, as soon as possible, after the 01st April each year, elect Members of the Committee of Administration amongst themselves belonging from the respective Category for which the term of Committee of Administration members is due.</p> <p>24.2. All Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, elect First ice-Chairman from the Committee of Administration belonging from the respective Category for which the term of First Vice-Chairman is due.</p> <p>24.3 All Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, elect Second Vice-Chairman from amongst themselves belonging from the respective Category for which the term of Second Vice-Chairman is due.</p> <p>24.4 The Chairman of the Council in terms of these Articles, on its formation, shall be elected from amongst members belonging to Category (i) above, the First Vice-Chairman shall be elected from amongst the</p>

<p>There is no bar to re-election but there has to be a gap of two terms of two years i.e., after a gap of four years. No Category can hold the Chairmanship for more than one term of two years. On the expiry of the term of the Chairman, the First Vice-Chairman shall automatically become Chairman and the First and Second Vice-Chairman should be so elected as to give representation to all three Categories. There shall be no election to the Office of the Chairman as the First Vice-Chairman will automatically become Chairman. However, the First Vice-Chairman will take charge of Chairman on the date of declaration of result of the Election alongwith First Vice-Chairman, Second Vice-Chairman and Committee Members, as the case may be. Member from the same category cannot hold the posts of Chairman and Vice-Chairman simultaneously.</p>	<p>COA members belonging to their respective Category (ii) and the Second Vice-Chairman shall be elected from amongst the members belonging to their respective Category (iii). The office of the Chairman will be by rotation from amongst the three Categories. The tenure of Chairman shall be for a fixed period of two years. There is no bar to re-election but there has to be a gap of two terms. No Category can hold the Chairmanship for more than one term of two years. On the expiry of the term of the Chairman, the First Vice-Chairman shall automatically become Chairman and the First and Second Vice-Chairman should be so elected as to give representation to all three Categories. There shall be no election to the Office of the Chairman as the First Vice-Chairman will automatically become Chairman. However, the First Vice-Chairman will take charge of Chairmanship on the date of AGM, unless he decline to accept the post of Chairman or he is removed from the post of Vice Chairman by a no- confidence vote of not less than 2/3rd of the COA Members. The resolution regarding no-confidence will have to be put to vote on the same pattern of direct election as followed during the time of election to the post of Vice Chairman. In case all eligible Members of the Council approve the no-confidence resolution then all eligible Members of the Council shall elect First Vice-Chairman from the existing Committee of Administration belonging from the respective Category for which the term of Chairman is due and thus elected, First Vice Chairman will take charge of Chairman immediately. Member from the same category cannot hold the posts of Chairman, First vice Chairman and Second Vice-Chairman simultaneously. The term of the Chairman and Vice-Chairmen shall be two years while the Members of the Committee of Administration shall be three years.</p> <p>24.5. However, as soon as possible and immediately after the Election Rules are duly approved and adopted, the General Body shall have to be held -</p>
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- a. Each year **to elect 1/3rd Members of the Committee of Administration** from amongst the General Members of the Council.
- b. Every two years when the elections of **1st Vice-Chairman** is due to elect, **firstly as Member of the Committee of Administration** from the General Members of the Council and **Secondly, to elect as First Vice-Chairman** from the Members of the Committee of Administration and in case, if the Committee of Administration Member is not elected as First Vice-Chairman he will continue to hold the office of the Member of the Committee of Administration belonging from the respective Category for which the term of First Vice-Chairman is due for Election.
- c. Every two years **to elect Second Vice-Chairman** when the elections of **2nd Vice-Chairman** is due from amongst the General Members of the Council.

Explanation for para 24.1 to para 24.5

- 1. The above amendments in the Articles of Association is proposed in view of the directive received from the Govt. regarding elections of first Vice-Chairman and to hold 2 elections whenever the elections of 1st Vice-Chairman is due i.e. in every two years.
- 2. One big paragraph is divided into small sub- paras with a view to simplify and bring more clarity on the provisions of para.

B. Amendments in the Election Rules.

Para	Existing Provision	Proposed Amended Election Rules
3.A.IV.b	<p>The Members of the Council shall as soon as possible after the 1st April every alternate year, elect First Vice-Chairman and Second Vice-Chairman from amongst themselves. Eligible Council Members shall have the right to stand for election as First Vice-Chairman, Second Vice-Chairman or Committee Members. In case of COA member elected to the office of 1st or 2nd Vice-Chairman will have to relinquish the charge of COA member in the event of declaration of Election Results. The resultant vacancy will be filled by “Bye-Election” for which date to be decided by COA. Such Election will take place as per procedure prescribed in Election Rules. The first elected Chairman of the Council in term of these Articles, on its formation, shall be from amongst members belonging to Category-I above, the First Vice-Chairman shall be elected from amongst members belonging to Category-II and the Second Vice-Chairman shall be elected from amongst the members belonging to Category-III. The office of the Chairman will be by rotation from amongst the three Categories. The tenure of Chairman shall be for a fixed period of two years. There is no bar to re-election but there has to be a gap of Two term of two years. No category can hold the Chairmanship for more than one term of two years. On expiry of the term of the Chairman, the First Vice-Chairman shall automatically be elected as Chairman and two Vice-Chairmen should be so elected as to give representation</p>	<p>3.A.IV.b.1) All the Eligible Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, elect First Vice-Chairman from the Committee of Administration belonging from the respective Category for which the term of First Vice-Chairman is due.</p> <p>3.A.IV.b.2) All Eligible Members of the Council shall, as soon as possible, after the 01st April in every two (2) years, elect Second Vice-Chairman from amongst themselves belonging from the respective Category for which the term of Second Vice-Chairman is due.</p> <p>3. A.IV.b.3)The Eligible Members of the Council shall, as soon as possible, after the 01st April in each year, elect Members of the Committee of Administration amongst themselves belonging from the respective Category for which the term of Committee of Administration Members is due.</p> <p>3. A.IV.b.4)All the Eligible Members of the Committee of Administration shall have the right to stand for election as First Vice-Chairman belonging from the respective category for which the term of First Vice-Chairman is due, where as Eligible Council Members shall have the right to stand for election as Second Vice-Chairman or Members of the Committee of Administration from amongst themselves belonging from the respective Category for which the term of Second Vice-Chairman or Members of the Committee of Administration is due.</p> <p>3. A.IV.b.5)In case of COA Member elected to the office of 1st or 2nd Vice-Chairman will have to relinquish the charge of COA Member in the event of declaration of Election Results. The resultant vacancy will be filled by “Bye Election” for which date to be decided by COA. Such Election will take place as per procedure prescribed in Election Rules.</p>

to all the three categories. There shall not be any election to the Office of the Chairman as the First Vice-Chairman automatically be elected as Chairman. However, the First Vice-Chairman will take charge of Chairmanship on the date of declaration of result of the Election alongwith First Vice-Chairman, Second Vice-Chairman and Committee Members, as the case may be. Member from the same category cannot hold the posts of Chairman and Vice-Chairman simultaneously.

3. A.IV.b.6) The first elected Chairman of the Council in terms of these Articles, on its formation, shall be elected from amongst members belonging to Category (i) above, the First Vice-Chairman shall be elected from amongst the COA Members belonging to Category (ii) and the Second Vice-Chairman shall be elected from amongst the members belonging to Category (iii). The office of the Chairman will be by rotation from amongst the three Categories. The tenure of Chairman shall be for a fixed period of two years. There is no bar to re-election but there has to be a gap of two terms. No Category can hold the Chairmanship for more than one term of two years. On the expiry of the term of the Chairman, the First Vice-Chairman shall automatically become Chairman and the First and Second Vice-Chairman should be so elected as to give representation to all three Categories. There shall be no election to the Office of the Chairman as the First Vice-Chairman will automatically become Chairman. However, the First Vice-Chairman will take charge of Chairmanship on the date of AGM, unless he decline to accept the post of Chairman or he is removed from the post of Vice Chairman by a no-confidence vote of not less than 2/3rd of the COA Members. The resolution regarding no-confidence will have to be put to vote on the same pattern of direct election as followed during the time of election to the post of Vice Chairman. In case all eligible Members of the Council approve the no-confidence resolution then all eligible Members of the Council shall elect First Vice-Chairman from the existing Committee of Administration belonging from the respective Category for which the term of Chairman is due and thus elected, First Vice Chairman will take charge of Chairman immediately. Member from the same category cannot hold the posts of Chairman, First Vice-Chairman and Second Vice-Chairman simultaneously. The term of the Chairman

		<p>and Vice-Chairmen shall be two years while that of the Members of the Committee of Administration shall be three years.</p> <p>A.IV.b.7) However, as soon as possible and immediately after the Election Rules are duly approved and adopted, the General Body shall have to be held -</p> <ol style="list-style-type: none"> a. Each year to elect 1/3rd Members of the Committee of Administration from amongst the General Members of the Council. b. Every two years when the elections of 1st Vice-Chairman is due to elect, firstly as Member of the Committee of Administration from amongst the General Members of the Council and Secondly, to elect as First Vice-Chairman from the Members of the Committee of Administration and in case, if the Committee of Administration Member is not elected as First Vice-Chairman he will continue to hold the office of the Member of the Committee of Administration belonging from the respective Category for which the term of First Vice-Chairman is due for Election. c. Every two years to elect Second Vice-Chairman when the elections of 2nd Vice-Chairman is due from amongst the General Members of the Council. <p>Explanation for para 3.A.IV.b.1 to para 3.A.IV.b.7 –</p> <ol style="list-style-type: none"> 1. The above amendments in the Election Rules is proposed in view of the directive received from the Govt. regarding elections of first Vice-Chairman and to hold 2 elections whenever the elections of 1st Vice-Chairman is due i.e. in every two years. 2. One big paragraph is divided into small sub-paras with a view to simplify and bring more clarity on the provisions of para.
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(TO BE TYPED ON THE LETTERHEAD OF THE COY/FIRM/ORGN.)

PROXY FORM

(TO BE FILED WITH THE COUNCIL
BY 10.30 A.M. OF 16th August, 2019.)

I/We _____ of M/s _____

_____ (Address) being a Member of the Carpet Export

Promotion Council, hereby Authorized Shri/Smt/Km _____

R/O _____ (Address) as my/our proxy to

vote for me/us on my/our behalf at the Extra Ordinary General Meeting of the Carpet Export
Promotion Council to be held on 19th August, 2019 (Monday) or adjourned Meeting thereof.

Name of the Authorized Representative Shri/Smt/Km _____

Specimen Signature of the Authorized Representative _____

Signature _____

Please affix
Revenue
Stamp

(Attested by) _____

Name _____

Designation _____

Seal of the Company _____

Date _____

Place _____

Please note that one person can hold Proxy for one Member only.

