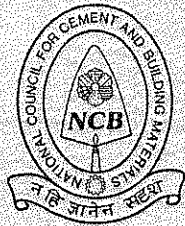
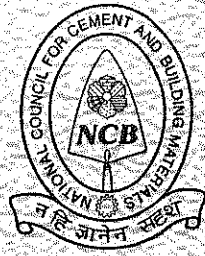


RULES AND REGULATIONS



NATIONAL COUNCIL FOR CEMENT AND BUILDING MATERIALS

RULES AND REGULATIONS



NATIONAL COUNCIL FOR CEMENT AND BUILDING MATERIALS
34 KM STONE, DELHI-MATHURA ROAD, BALLABGARH-121 004 (HARYANA)

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**RULES AND REGULATIONS
OF
NATIONAL COUNCIL FOR CEMENT AND
BUILDING MATERIALS**

Short Title

1. These Rules and Regulations may be called the "Rules and Regulations of NATIONAL COUNCIL FOR CEMENT AND BUILDING MATERIALS."

Interpretation

2. Unless it is inconsistent with the subject or context:

Society means National Council for Cement and Building Materials registered under the Societies Registration Act, 1860.

Board of Governors means the Board of Governors constituted from time to time under these Rules and Regulations to act as the governing body of the Society.

Secretary means any person appointed to perform the duties of Secretary.

In writing includes printing, lithography and typewriting.

NCB means the National Council for Cement and Building Materials.

GOI means the Government of India (concerned Ministry).

Year means the period commencing from the 1st April and ending with the 31st March of the following year.

Month means calendar month.

Members

3. The class of members, requirements for their admission, their annual subscription and their rights and privileges shall be as given hereinafter except where otherwise specifically decided by the Board of Governors. Subject to the minimum amounts specified hereunder the Board of Governors shall lay down from time to time the minimum Annual Subscription, which is required to be paid by each class of members:

| <i>Class of Member and Requirements for Admission</i> | <i>Minimum Annual Subscription/ Grant</i> | <i>Rights and Privileges</i> |
|---|---|---|
| <i>Ordinary Members.</i> | | |
| Ordinary Members shall be persons, firms, companies or corporate bodies and their association engaged in the manufacture of cement (not provided for in any other class in these Rules) or who have cement plants on order or under erection. Provided always that an Ordinary Member shall be a citizen of India or a body corporate established under and subject to the laws of India having his/its principal place of business in India. | Not less than 75 paise per tonne of cement produced. A member who has not commenced manufacture of cement shall pay a minimum subscription of Rs. 10,000/- per year - prorated over the period in the financial year - until such time he actually begins manufacturing cement. | To exercise one vote through representative/s at the General Meetings for each one million tonnes of cement manufactured subject to a minimum of one vote. For purposes of this calculation, the total quantity of cement manufactured in the financial year immediately preceding the General Meeting shall be the criteria, such quantity, being rounded off to the nearest million tonne in accordance with IS : 2-1960. Members who have not yet commenced manufacture of cement shall be entitled to exercise one vote. Other privileges as detailed in Rule 4 (see page 5). |

4. In addition to the rights and privileges covered in Rule 3 above, every member of the Society shall have the privilege:
 - a) to receive free of charge one copy each of the current issues of all the periodicals published by the Society from time to time and of the Annual report,
 - b) to receive free of charge such technical reports published by the Society as the Board of Governors may determine from time to time,
 - c) to have access to the library of the Society for the purposes of reference,
 - d) to apply to the Society for information on research and development in the field of cement, concrete and building materials both in the country and abroad,
 - e) to propose subjects for research to be undertaken by the Society, and
 - f) to attend at his own expense symposia, seminars and conferences organised by the Society.
5. The Society shall maintain an up-to-date Roll of Members indicating the full name, addresses and occupations of each member and every member (nominated representative of a member where the member is a firm, company, corporate body or association) shall sign the same.
6. Applications for Associate and Overseas Membership shall be made on prescribed form and shall be submitted to the Board of Governors for its decision. The Board of Governors may at any time limit the total number of members to be admitted as Associate and/or Overseas Members, subject to such limit being approved by the Society.

7. Membership shall commence from the beginning of the financial year in which the name of the member is entered in the Roll of Members in case of those who start manufacturing cement in the middle of the year and consequently start paying subscription of 75 paise per tonne to NCB, in the middle of the year. In case of those who are not yet engaged in the manufacture of cement but are working towards it and seek membership of NCB voluntarily, their membership shall commence from the date they desire and the membership subscription shall be accordingly prorated for the period of membership, until such time they actually begin manufacturing cement.
8. Any member required to pay a subscription and failing to do so shall automatically cease to be a member on the expiry of a period of six months from the date on which the subscription falls due. No member whose subscription happens to be in arrears at the time of voting shall be entitled to vote.
9. A member or his representative shall cease to continue as such:
 - a) if he ceases to fulfil all or any of the conditions of membership;
 - b) if he is appointed as a member by reason of the office or appointment he holds, when he ceases to hold that office or appointment;
 - c) if he expires;
 - d) if he becomes of unsound mind;
 - e) if he becomes insolvent or bankrupt;
 - f) if he is convicted of a criminal offence involving moral turpitude;

- g) if he resigns, after the resignation has been accepted. A resignation of membership shall be tendered to the Society in the person of its Secretary and shall not take effect until it has been accepted on behalf of the Society by the Chairman;
 - h) if he is removed by the Board of Governors. Any member may be removed from the membership of the Society by a resolution of the Board of Governors passed by a majority of at least 3/4th of the members present and voting at a special meeting of the Board of Governors of which not less than 21 days previous notice shall have been given to the member whose removal is in question and to all the members of the Board of Governors. Such notice shall include a copy of the proposed resolution of removal of the member; and
 - i) for any other reason as the Board of Governors may decide from time to time.
10. If a member of the Society changes his address, he shall notify his new address to the Secretary and the entry in the Roll of Members will be accordingly changed but if he fails to notify his new address, the address in the Roll of Members shall be deemed to be his address.
11. The Society shall function notwithstanding any vacancy in its membership and no act, direction or proceeding of the Society shall be invalid merely by reason of such vacancy or of any defect in the Appointment of any of its members.

Authorities of the Society

12. The following shall be the authorities of the Society:
- i) Chairman,
 - ii) Vice-Chairman,
 - iii) Director General, and

- iv) Such other persons who may be declared to be the authorities of the Society by the Board of Governors.

Board of Governors

13. The Business of the Society shall be managed by the Board of Governors who may exercise all such powers and do all such things and acts as are provided in these Rules. Including the Chairman and Vice-Chairman, the Board of Governors shall be composed of eight members who shall be representatives of the Ordinary Members; the President of the Cement Manufacturer's Association; four representatives of the Government of India (concerned Ministry); one representative of the consumers of cement and building materials in India, nominated by the Government of India (concerned Ministry); and the Director General. The Director General may himself function as the Secretary of the Society/Board of Governors or he may nominate a member of staff of the Society to act as a Non-Member Secretary. The senior most executive next to the Director General shall be invited to the meetings of the Board of Governors for assisting the Director General in the deliberations. Other senior executives as and when required for assistance may also be invited by the Director General.

The eight members representing the Ordinary Members shall be nominated by a Nominating Committee consisting of Chairman NCB, President CMA, with Secretary to the Government of India (concerned Ministry) as the Chairman, from out of the persons proposed by: (i) President CMA; (ii) Chairman NCB; (iii) Vice-Chairman NCB; (iv) Director General NCB; and (v) Ordinary Members of the Society. The members nominated shall be at least in the position of Directors of the Board of Ordinary Members or equivalent thereto, preferably be Managing Director or Chairman of Ordinary Member companies.

At least 45 days in advance of the Annual General Meeting each

year, the Director General shall invite independent proposals from the above, and the first four named above may each propose not more than eight names and the Ordinary Members may each propose not more than three names. The Director General shall then prepare a consolidated list indicating the names proposed and shall cause a meeting of the Nominating Committee at least 21 clear days before the Annual General Meeting.

14. Except, where otherwise specifically provided in Rule 13 above, a member of the Board of Governors including the Chairman and Vice-Chairman need not be a member of the Society, and shall hold office until the newly constituted Board of Governors takes over at the Annual General Meeting following the year of his appointment.
15. If casual vacancies arise within the tenure, the person appointed for the vacancy shall hold the office for the unexpired period of the tenure.
16. The Board of Governors shall function notwithstanding any vacancy in its membership and no act, direction or proceeding of the Board of Governors shall be invalid merely by reason of such vacancy or of any defect in the appointment of any of its members.
17. Any member who fails to attend three consecutive meetings of the Board of Governors without proper leave shall cease to be a member thereof.
18. Any vacancy in the membership shall be filled by appointment by the Board of Governors subject to provision contained in Rule 15.
19. One Chairman and one Vice-Chairman shall be appointed from amongst its own members at a meeting of the members of the newly constituted Board of Governors each year prior to the Annual General Meeting of that year. The person holding the position of Director General, when appointed Chairman shall be the Chairman and Director General, the tenure of which shall be for the period he is the Director General of the Society.

Proceedings of the Board of Governors

20. Every meeting of the Board of Governors shall be presided over by the Chairman, in his absence by the Vice-Chairman and, in the absence of both, by a person chosen by the members present from among themselves.
21. One-third of the members of the Board of Governors present in person shall constitute a quorum at any meeting of the Board of Governors. The Government of India nominee(s) who is of the rank of Secretary to the Government of India may participate in the meeting of the Board of Governors through his representative(s) who shall be atleast of the rank of Joint Secretary to the Government of India whenever the nominee(s) is himself unable to participate.
22. Not less than fifteen clear days notice of every meeting of the Board of Governors shall be given to each member at his address in the Roll of Members.
23. The Board of Governors shall meet as often as necessary and in any event at least four times in a year.
24. For the purpose of the last Rule each year shall be deemed to commence on the 1st April and terminate on the 31st March of the following year.
25. The Chairman may himself call, or by a requisition in writing signed by him require the Secretary to call a meeting of the Board of Governors at any time.
26. Each member of the Board of Governors including the Chairman shall have one vote and if there shall be an equality of votes on any question to be decided by the Board of Governors, the Chairman shall in addition have a casting vote.
27. Any business, except such as the Board of Governors may by general or special order direct to be placed before the meeting may be carried out by circulation amongst all its members and any resolution so

circulated and approved by a majority of the members signing shall be as effectual and binding as if such resolution had been passed at a meeting of the Board of Governors, provided that at least one third of the members of the Board of Governors have recorded their views on the resolution.

28. Where there is a difference of opinion among the members of the Board of Governors, the opinion of the majority shall prevail. The Chairman may, when he considers it necessary, refer any question to Government of India (concerned Ministry) and place its comments before the Board of Governors.

Functions and Powers of the Board of Governors

29. It shall be the function of the Board of Governors generally to carry out the objects of the Society as set forth in the Memorandum of Association.
30. The Board of Governors shall have the management of all the affairs and funds of the Society and shall have authority to exercise all the powers of the Society subject to (a) limitations laid down by a resolution of the Society and (b) limitations in respect of expenditure laid down by Government of India (concerned Ministry) from time to time.
31. Subject to the provisions of these Rules and Regulations, the Board of Governors shall administer and manage the affairs of the Society and in particular the following matters:
- i) Preparation and sanction of budget estimate, the sanctioning of expenditure, making and execution of contracts, the investment of the funds of the Society and the sale or alteration of such investment and accounts and audit;
 - ii) Procedure for appointment of officers and staff of the Society;
 - iii) The terms and tenure of appointment, emoluments, allowances,

rules of discipline and other conditions of services of the officers and staff of the Society.

32. The Board of Governors shall have control in regard to all matters relating to the management and organisation of the Society. In addition to the powers and authorities by these presents or otherwise expressly conferred upon them they may exercise all such powers and do all such acts and things as may be exercised or done by the Society and are not hereby or by statute expressly directed or required to be exercised or done by the Society in General Meeting.
33. Without prejudice to the general powers conferred by Rule 32 above and the other powers conferred by these presents, it is hereby expressly declared that the Board of Governors shall have the following powers, that is to say:
- a) To make recommendations to the Society for addition, variation, amendment or repeal of the Memorandum of Association and Rules and Regulations, for the administration and governance of the Society and for carrying its aims and objects into effect.
 - b) To pay all expenses incurred in carrying out the objects of the Society.
 - c) To purchase or otherwise acquire for the Society any property rights or privileges which the Society is authorised to acquire at such price, and generally on such terms and conditions as they may think fit.
 - d) To secure the fulfillment of any contracts or agreements entered into by the Society or in such manner, as they may think fit.
 - e) To institute, defend, compound, or abandon any legal proceedings by or against the Society or otherwise concerning the affairs of the Society.
 - f) To refer any claims or demands by or against the Society to arbitration and observe and perform the awards.

- g) To make and give receipt, releases and other discharges for money payable to the Society and for the claim and demands of the Society.
- h) To invest and deal with any of the moneys of the Society, not immediately required for the purpose thereof, upon such securities and in such other manner as they may think fit, and also from time to time to vary or realise such investments subject nevertheless to the provisions contained in the Memorandum of Association.
- i) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Society in relation to any of the matters aforesaid or otherwise for the purposes of the Society.
- j) To set up, constitute and organise local branches of the Society in such a manner and on such terms as may be considered necessary in the interest of the Society.
- k) To constitute Committee(s) consisting of two or more persons, not necessarily members of the Society and vary the same and delegate them such powers as may be considered necessary for the purpose.
- l) To provide for compliance with terms and conditions attached to the payment of grants-in-aid.
- m) To appoint bankers of the Society which shall be out of the nationalised or scheduled banks.
- n) To delegate such administrative, financial and other powers as may be considered necessary to any of its Committees and other authorities of the Society.

Recording of Proceedings

34. The Board of Governors shall cause minutes to be duly entered in books provided for the purpose:
- a) of the name of the members of the Board of Governors present at each meeting of the Board of Governors;
 - b) of all orders made by the Board of Governors; and
 - c) of all resolutions and proceedings of the Society and meetings of the Board of Governors.

Functions and Powers of Other Authorities

Director General

35. A Director General or other responsible technical officer shall be appointed by the Board of Governors who shall be in charge of the general direction and supervision of the work of the Society.
36. Subject to these Rules, the Director General shall in all matters under his charge, have powers similar to those of the Director of a National Laboratory under the Council of Scientific and Industrial Research (CSIR) and such other powers as may be given to him from time to time by the Board of Governors/Society. He may in writing delegate and/or sub-delegate such of the powers as he may consider necessary to other officials of the Society.
37. He shall prescribe the duties of all officers and staff of the Society and shall exercise such supervision and disciplinary controls as may be necessary in accordance with the prescribed rules.
38. It shall be the duty of the Director General to coordinate and exercise general supervision over all activities of the Society.

39. The Director General shall exercise his powers under the superintendence and control of the Board of Governors.

Executive Committee

40. With a view to achieving the objectives of collegiate management and to assisting the Director General deal with the detailed executive functions of the Society, there shall be an Executive Committee which shall function within the framework of these Rules and Regulations and shall exercise such powers as may be delegated to it by the Board of Governors. The Executive Committee shall be composed of the persons, who for the time being, head the various Divisions of activities of the Society, with the Director General as its Chairman and such other focal executives considered necessary by the Director General.

Proceedings of the Society

41. (a) One meeting of the Society shall be held at least once in every year at such time (not being more than fifteen months after the last preceding meeting) and place as may be prescribed by the Society in its last preceding meeting, and if no other time or place is prescribed, at such time and place as may be determined by the Board of Governors.
- (b) Fourteen clear days' notice shall be given of every Ordinary General Meeting, to every Member, containing the agenda for the meeting in the manner hereinafter prescribed. Any urgent Extraordinary General Meeting, convened to consider any urgent business or in the case of an emergency, of which the Board of Governors shall be sole judge, shall be convened by giving ten clear days' notice containing the agenda for the meeting to every member in the manner hereinafter prescribed. Subject to the same, any Extraordinary General Meeting shall be convened by giving not less than twentyone clear days' notice containing the agenda for the meeting to every member in the manner hereinafter prescribed.

42. The meetings referred to in Rule 41(a) above shall be called Ordinary Meetings. All other meetings of the Society shall be called Extraordinary Meetings.
43. Any five members of the Society may by a requisition in writing addressed to the Board of Governors and containing the reasons for the requisition, request the Board of Governors to call a General Meeting of the members of the Society. On receipt of such requisition, the Board of Governors shall cause such General Meeting to be held within twentyone days. If the Board of Governors shall refuse or neglect to call such General Meeting to be held within the time aforesaid, the five signatories of the requisition shall have power themselves to call such General Meeting to be held on such day as they themselves shall appoint.
44. Notice of meetings to any member shall be given in the ordinary manner in which notices are required to be given by post or otherwise but an accidental omission or non delivery or late delivery and such other causes shall not invalidate the proceedings of any meeting provided, however, that seven days clear notice together with the proposals of resolutions to be laid before the members shall be given and the said notice shall be sent by Registered Post.
45. The business of an Ordinary Meeting shall be:
 - a) To receive and consider the accounts, the balance sheet and the reports of the Board of Governors and the Auditors.
 - b) To induct new members of the Board of Governors.
 - c) To appoint an Auditor or Auditors and fix his or their remuneration.

- d) To transact any other business which under these presents ought to be transacted at the Ordinary Meeting.

All other business transacted at any Ordinary Meeting and all business transacted at an Extraordinary Meeting shall be deemed special. If the member has any proposal or any matter which he wishes to make or bring before an Ordinary Meeting he shall give ten clear days' written notice thereof to the Secretary.

46. The Chairman of the Board of Governors, or in his absence, the Vice-Chairman shall preside at the meetings of the Society and in the absence of such Chairman or Vice-Chairman at such meetings, the members present shall choose any member present at the meeting, to preside at that meeting.
47. One-fifth of members of the Society present in person shall be sufficient to form quorum for any General Meeting, when the notice of the intention to hold such meeting has been given in the prescribed manner.
48. Any question submitted to the meeting shall be decided by the majority of members present. Where there is a difference of opinion among the members of the Society, the opinion of the majority shall prevail.
49. Where the votes are equally divided, the Chairman shall have a casting vote.
50. At any General Meeting, unless a poll is demanded by the Chairman or by five members entitled to vote, a declaration by the Chairman that a resolution has been carried or carried by a particular majority, and an entry to that effect in the book of proceedings of the Society shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

51. If a poll is demanded as aforesaid, it shall be taken in such manner and at such time within fourteen days and at such place as the Chairman of the meeting directs, either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn. On a poll votes may be given either personally or by proxy.
52. The demand for a poll at a meeting shall not prevent the transaction of business other than that on which a poll has been demanded.
53. The Chairman of a General Meeting may with the consent of the meeting adjourn the same 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.

Research

54. No member of the Society may ask for information or use any information already known to him except in strict accordance with conditions as may be made by the Board of Governors of the Society.
55. All members of the Board of Governors, the Director General and other officers, of the Society shall, before taking charge, sign an undertaking to observe strict secrecy regarding all knowledge they may obtain in exercise of their duties regarding progress and result of research. They shall also undertake not to utilise such information for work other than the work of the Society.
56. If in the opinion of the Board of Governors a member has utilised such information for his personal or for some benefit other than the benefit of the Society, the Board of Governors may by 2/3rd majority remove such a member from the membership of the Society.

Nothing in the above Rule shall prevent discussion, disclosure or publication between members of the Society and its officers in the ordinary course of business or in the interest of the Society.

57. Every employee of the Society shall give a written undertaking that in consideration of his employment by the Society, he shall assign to the Society all rights, patents and ownerships in any discoveries, inventions, designs, knowhows or other results arising in the course of his employment under the Society.

Funds of the Society

58. The funds of the Society will consist of the following:

- a) Admission fees, Membership fees and Annual Subscription from Members.
- b) Grants made by Government of India (concerned Ministry).
- c) Contribution from other sources.
- d) Income from investments.
- e) Receipts of the Society from other sources.

59. (i) The Society shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed by the Auditors of the Society.

- (ii) The Accounts of the Society shall be audited annually by a Chartered Accountant and any expenditure incurred in connection with the audit of accounts of the Society shall be payable by the Society.

- (iii) The Chartered Accountant shall audit the accounts of the Society and in particular shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Society.

- (iv) The Society will furnish to the Government of India (concerned Ministry) on the 31st July or as soon as thereafter as may be convenient every year, a copy of the annual statement of accounts duly audited by the Chartered Accountant and certifying that the grants received from Government of India (concerned Ministry) were spent for the purpose for which these were made.

Annual Report

60. A draft of the Annual Report and the yearly accounts of the Society shall be prepared by the Board of Governors and placed before the Society at its Ordinary Meeting for consideration and approval. Copies thereof as finally approved by the Society shall be supplied to the members of the Society. The proceedings of the Ordinary Meeting of the Society together with the Annual Report shall be sent to Government of India (concerned Ministry) and to the members of the Society for information.

Amendments

61. The Rules and Regulations of the Society may be amended at an Extraordinary Meeting of the Society by two-third majority of members present and voting, with the prior approval of the Government of India (concerned Ministry).

Societies Registration Act, 1860

62. All the provisions under all the sections of the Societies Registration Act, 1860 as applicable to the Union Territory of Delhi shall apply to the Society.