

Forward Contracts (Regulation) Act, 1952

Section 9A - Power of recognised association to make rules respecting grouping of members, restricting voting rights, etc., in

Section 8 (28-12-1960). 1) A recognised association may make rules or amend any rules made by it to provide for all or any of the following matters namely,-- 2 [(a) the admission of a firm or a Hindu undivided family as a member,] 2 [(b)] the grouping of the members of the association according to functional or local interests, the reservation of seats on its governing body for members belonging to each group and appointment of members to such reserved seats- (i) by election exclusively by the members of the association from among persons chosen by the members belonging to the group concerned; (ii) by election by all the members of the association; (iii) by election by all the members belonging to the group concerned for the purpose; 2 [(c)] the restriction of voting rights in respect of any matter placed before the association at any meeting to those members only who, by reason of their functional or local interests, are actually interested in such matter, 2 [(d)] the regulation of voting rights in respect of any matter placed before the association at any meeting so that each member may be entitled to have one vote only, irrespective of his share of the paid-up equity capital of the association; 2 [(e)] the restriction on the right of a member to appoint another person as his proxy to attend and vote at a meeting of the association; 3 [(f)] the retirement at every annual general meeting of all directors or such number or proportion of their total number as may be specified in the rules;] 2 [(g)] such incidental, consequential and supplementary matters as may be necessary to give effect to any of the matters specified in 4 [clauses (a) to (f).] (2) No rules of a recognised association made or amended in relation to any matter referred to in cls. 5 [(a) to (g)] of sub-section (1) shall have effect until they have been approved by the Central Government and published by that Government in the Official Gazette and, in approving the rules so made or amended, the Central Government may make such modifications therein as it thinks fit, and on such publication, the rules as approved by the Central Government shall be deemed to have been validly made, notwithstanding anything to the contrary contained in the Companies Act, 1956. (3) Where, before the commencement of the Forward Contracts (Regulation) Amendment Act, 1957, any rules have been made or amended in relation to any matter referred to in 5 [clauses (b) to (e) and (g)] of sub-section (1), the rules so made or amended shall not be deemed to be invalid or ever to have been invalid merely by reason of the fact that the rules so made or amended are repugnant to any of the provisions of the Companies Act, 1956.] _____ 1 . Inserted by the Forward Contracts (Regulation) Amendment Act, 1957 (32 of 1957),