

MEMORANDUM OF ASSOCIATION
AND
RULES AND REGULATIONS
OF
CENTRAL MANUFACTURING TECHNOLOGY INSTITUTE
BANGALORE

(CORRECTED UPTO 27.09.2017)

MEMORANDUM OF ASSOCIATION
(CORRECTED UPTO 27.09.2017)

Central Manufacturing Technology Institute

Memorandum of Association

1. The name of the Society shall be 'Central Manufacturing Technology Institute.

2. The Office of the Society shall be situated at Bangalore.

3. The objects for which the Society is established are:

3.1 To carryout research and development in the field of manufacturing technology, machine tools, attachments and accessories, tools and toolings, metal working processes, manufacturing systems, dimensional metrology, machine tool control system, robotics, precision engineering, computer integrated manufacturing systems including CAD/CAM and development of software and emerging technologies.

3.2 To undertake inspection, testing and evaluation of machine tools and allied equipment.

3.3 To provide advisory services in manufacturing systems engineering.

3.4 To provide measurement and calibration services to the industry.

3.5 To assist in formulation of standards relating to machine tools, tools and toolings, elements thereof and manufacturing systems.

3.6 To promote quality awareness in machine tool manufacturing and user industry.

3.7 To establish, maintain and manage laboratories, prototype workshop and other facilities for furthering machine tool and manufacturing technology.

3.8 To collect, process, store and disseminate, technical, trade, statistical, patents and standards information relating to machine tools and manufacturing technology.

3.9 To organise seminars, conferences, exhibitions, courses, workshops, and/or to arrange for participation in such activities and similar matters of interest to the industry.

3.10 To establish liaison with similar research institutions, educational and other institutions in India and abroad.

3.11 To give grants and prizes and honoraria to designers, technicians and others.

3.12 To control, manage and supervise the work of designers, technicians and other persons to whom financial assistance is given.

3.13 To determine the number of prizes to be awarded each year and to announce the awards each year.

3.14 To print and publish pamphlets, magazines and periodicals or issue advertisements that may be considered desirable for the promotion of the objects of the society.

3.15 To build and construct buildings and workshops and alter, extend, improve, repair, enlarge or modify the same and to provide and equip the same with light, water, drainage, furniture, fittings and all other necessaries.

3.16 To acquire by gift, purchase, exchange, lease, hire or otherwise howsoever any lands, buildings, easements and any property movable and/or immovable and for any estate or interest for the furtherance of all or any of the objects of the Society, and also to accept the securities or property of any kind on such terms as may be expedient.

3.17 To accept grants of money and other assistance from the Government of India and other sources, Indian or Foreign or to enter into agreement with them with a view to promoting objectives of the Society, provided that in respect of foreign sources prior approval of the Government of India is obtained.

3.18 To sell, manage, transfer, exchange, mortgage, demise, dispose of or otherwise deal with any property whatever belonging to the Society, provided that prior approval in writing of the Central Government is obtained for the transfer of any immovable property.

3.19 To draw, make, accept, endorse and discount cheques, notes or other negotiable instruments.

3.20 Invest the funds or money of the Society not immediately required in any securities or in such manner as determined by Governing Council from time to time.

3.21 To pay all expenses preliminary or incidental to the formation of the Society and its registration.

3.22 To borrow or raise moneys with or without security or on the security of mortgage charge, hypothecation or pledge over all or any property belonging to the society or in any manner whatsoever with prior approval of Governing Council.

3.23 To negotiate and enter into contracts on behalf of the Society and vary and rescind such contracts.

3.24 To provide for the welfare of the employees.

3.25 To create with the prior approval of the Governing Council any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairs, improving, extending or maintaining any of the properties or rights of the Society and/or for recouplement of wasting assets and for any other purposes for which the Society deems it expedient or proper to create or maintain any such fund or funds.

3.26 To create posts under the Society and to make appointments thereto in accordance with the rules and regulations of the Society provided that no posts, the maximum salary of which exceeds Rs 4,500/- per month shall be created without the prior approval of the Central Government.

3.27 To make rules and regulations for the conduct of the affairs of the Society and to add to, amend, vary or rescind them from time to time with the approval of the Central Government.

3.28 To make bye-laws for the conduct of the affairs of the Society and to add to, amend, vary or rescind them from time to time.

3.29 To all such other lawful acts, deeds or things as are incidental or conducive to the attainment of any of the above objects.

4. The management of the affairs of the Society is entrusted in accordance with the rules and regulations of

the Society to the Governing Council of which the first members are -

- Prof M S Thacker
Secretary
Ministry of Scientific Research
And Cultural Affairs
And Director General
Council of Scientific and Industrial Research
New Delhi
- Shri S L Kirloskar
PRESIDENT
Machine Tool Manufacturers' Association
Bombay
- Shri V Nimkar
CHAIRMAN
Development Council for Machine Tools
The Amerind, 15th Road, Khar
Bombay
- Shri R V Subramanian
JOINT SECRETARY
Ministry of Commerce and Industry
New Delhi
- Shri G K Chandiramani
JOINT EDUCATIONAL ADVISER
Ministry of Education
New Delhi
- Dr B D Kalelkar
SENIOR INDUSTRIAL ADVISER (ENGINEERING)
Development Wing, Ministry of Commerce and Industry
New Delhi
- Shri T Shamanna
DIRECTOR OF INDUSTRIES
Government of Mysore
Bangalore
- Shri M M Mehta
DEPUTY FINANCIAL ADVISER
Ministry of Finance (Commerce & Industry Division)
New Delhi

- Shri S M Patil
GENERAL MANAGER
Hindustan Machine Tools Ltd
P O Jalahalli
Bangalore
- Shri A M Kelkar
MANAGING DIRECTOR
Praga Tools Corporation Ltd
Fateh Maidan Road
Hyderabad
- Dr A K Ghosh
PROJECT OFFICER
Heavy Machine Tool Plant
Heavy Engineering Corporation
Ranchi

4.1 The above Governing Council shall remain in office for three years from the date of incorporation of the Society. The income and property of the Society, however, derived, shall be applied towards the promotion of the objects as setforth in this Memorandum of Association subject nevertheless in respect of the expenditure of grants made by the Government of India to such limitations as the Government of India may from time to time impose.

4.2 No portion of the income and property of the Society shall be paid or transferred directly or indirectly by way of dividends, bonus or otherwise howsoever by way of profit to persons who at any time are or have been members of the Society, or to any of them or to any persons claiming through them or any of them provided that nothing herein shall prevent the payment in good faith of remuneration to any member or other person in return for service rendered to the Society, or for traveling allowances, halting allowance and other similar charges.

4.3 We, the several persons, whose names and addresses are hereunder subscribed are desirous of being formed into a Society in pursuance of this Memorandum of Society. We also authorize Shri K N Shenoy to correspond with the Registrar of Societies in Mysore.

Signatories

- Prof M S Thacker
Secretary, Ministry of Scientific Research and
Cultural Affairs and Director General
Council of Scientific and Industrial Research

- Shri R V Subramanian
Joint Secretary
Ministry of Commerce and Industry

- Shri K B Rao
Officer on Special Duty
Ministry of Commerce and Industry

- Shri G K Chandiramani
Joint Educational Adviser
Ministry of Education
New Delhi

- Dr B D Kalelkar
Senior Industrial Adviser (Engineering)
Development Wing, Ministry of Commerce and Industry
New Delhi

- Shri K N Shenoy
Deputy Secretary
Ministry of Commerce and
Industry
New Delhi

- Shri M M Mehta
Deputy Secretary
Ministry of Finance (Commerce and Industry Division)
New Delhi

Witness

- Shri R V Ramiah
Director, Small Scale Industries
Ministry of Commerce and Industry
New Delhi.

Central Manufacturing Technology Institute

Rules and Regulations

Short Title

1. These Rules and Regulations may be called the 'Rules and Regulations of the Central Manufacturing Technology Institute'.

Interpretation

2. The "Society" shall mean the Central Manufacturing Technology Institute, Bangalore.

Members of the Society

3. The Society shall consist of the following members:

- i) The President of the Society who shall be nominated by the Government of India.
- ii) The Vice-President of the Society who shall be nominated by the Government of India from amongst the members of the Society at 3(iv) below.
- iii) The members of the Governing Council.
- iv) Members from amongst manufacturers of machine tools, its allied products and accessories, machine tool users and professionals, academicians in the field and paying such fee to the Society as may be decided upon by the Governing Council of the Institute.
- v) Any other person or persons appointed by the Government of India.

4. Should any member of the Society be prevented from attending a meeting of the Society, the Government of India shall be at liberty to appoint a substitute to take his place at the meeting of the Society. Such substitute shall have all the rights and privileges of a member of the Society for that meeting only.

5. The Society shall keep a roll of members giving their addresses and occupations and every member shall sign the same.

6. If a member of the Society changes his address, he shall notify his new address to the Secretary and the entry in the roll will be accordingly changed; but if he fails to notify his new address, address in the roll of the members shall be deemed to be his address.

Duration of appointment

7 (a) Members appointed by the Government of India shall hold office for such period as may be prescribed by the Government at the time of their appointment or at any time thereafter.

(b) where a person is appointed as a member of the Society by reason of the office or appointment he holds, his membership of the Society shall terminate when he ceases to hold that office or appointment.

8. Non-official members of the Society shall hold office normally for a period of 3 years from the date of their appointment but shall be eligible for reappointment.

9. If casual vacancies arise within the three years tenure the persons appointed for the vacancy shall hold office for the unexpired period of the tenure.

10. A member of the Society shall cease to be a member on the happening of any of the following events:

(a) If he dies, resigns, becomes of unsound mind, becomes insolvent or be convicted of a criminal offence involving more turpitude.

(b) If he does not attend three consecutive meetings of the Society without proper leave of the President.

11. 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 President.

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12. Any vacancy in the membership of the Society caused by any of the reasons mentioned in rule 10 shall be filled up by the Government of India at the request of the President.

13. The Society shall function notwithstanding that any person who is entitled to be a member by reason of his office is not a member of the Society for the time being and notwithstanding any other vacancy in its body whether by non-appointment or otherwise and no act or proceeding of the Society shall be invalidated merely by reason of the happening of any of the above events or of any defect in the appointment of any of its members.

Authorities of the Society

14. The following shall be authorities of the Society:

- i) The Governing Council
- ii) The President
- iii) The Vice-President
- iv) The Director
- v) The Financial Adviser
- vi) The Secretary
- vii) Such other authorities as may be constituted as such by the Governing Council.

Principal Executive of the Society

15. The Director shall be the Principal Executive Officer of the Society. Provided that all or any of the functions of the Director may be exercised by such officer or officers of the Society as may be delegated.

Office of the Society

16. The Office of the Society shall be situated at Bangalore.

Proceedings of the Society

17 (i) An Annual General Meeting of the Society shall be held at such date, time and place as may be determined by the President.

(ii) Except as otherwise provided in these rules, all meetings of the Society shall be called by notice under the hand of the Secretary.

18. The President may convene a special meeting of the Society whenever he thinks fit.

19. Every notice calling a meeting of the Society shall state the date, time and place at which such meeting will be held and shall be served upon every member of the Society not less than twenty one clear days before the day appointed for the meeting.

20. If the President is not present at the meeting of the Society, the Vice President shall chair the meeting. If both the President and Vice-President of the Society are not present, the members of the Society shall choose one of the members present to be the Chairman of the meeting.

21. No business shall be discussed at any meeting of the Society except the election of a Chairman whilst the Chair is vacant.

22. One third of the members of the Society present in person shall form a quorum at every meeting of the Society.

23. All disputed questions at a meeting of the Society shall be determined by majority vote.

24. Each member of the Society shall have one vote.

25. In case of any equality of votes, the Chairman shall have a casting vote.

26. A Notice/Notices may be served upon any member of the Society either personally or by sending it by post in any envelope addressed to such member at his address in the roll of members.

27. Any notice so served by post shall be deemed to have been served on the day following that on which the envelope containing the same is posted and proof that the envelope containing such notice was properly addressed and duly posted will be sufficient proof of such service.

The Governing Council

28. The affairs of the Society shall be administered, directed and controlled in accordance with the Rules and Regulations and bye-laws of the Society.

The Governing Council of the Society for the purpose of Act 17 of 1960 shall consist of the following:

- i) The President of the Society who shall be ex-officio President of the Governing Council.
- ii) The Vice-President of the Society.
- iii) Secretary to the Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry (DHI) or his nominee.
- iv) The Financial Adviser and Additional Secretary of the Ministry of Heavy Industries and Public Enterprises, Department of Heavy Industry (DHI) or his nominee.
- v) Secretary, Ministry of Micro, Small and Medium Enterprises (MSME) or his nominee.
- vi) Secretary to the Ministry of Science & Technology or his nominee.
- vii) Adviser (DM & A, Industry), NITI Aayog or his nominee.
- viii) President of IMTMA.
- ix) President of Member Executive Committee of CII
- x) Director of the Institute.
- xi) Chairman, ISRO or his nominee.
- xii) Not more than 10 other persons nominated by the Government of India of whom atleast 7 shall be from amongst the members of the Society specified under Rule 3 (iv).

Provided that the Government of India may terminate the membership of any member or at one and the same time all members other than the ex-officio members of the Governing Council. Upon such termination the vacancies shall be filled in accordance with the relevant provision

of the rules. The members whose membership is so terminated shall be eligible for reappointment.

29. The membership of the Governing Council shall normally be for a period of three years from the date of appointment. If a member of the Governing Council ceases to be a member of the Society, he shall automatically cease to be a member of the Governing Council.

30. The Governing Council shall function notwithstanding that any person who is entitled to be member by reason of his office is not a member of the Governing Council for the time being and notwithstanding any other vacancy in its body whether by the non-appointment by the authority entitled to make the appointment or otherwise and no act or proceeding of the Governing Council shall be invalidated merely by reason of the happening of any of the above events or any defects in the appointment of any of its members.

31. A member who fails to attend three consecutive meetings of the Governing Council without leave of the President shall cease to be a member thereof.

32. Any vacancy in the membership of the Governing Council shall be filled up by appointment by the Government of India.

Proceedings of the Governing Council

33. Every meeting of the Governing Council shall be presided over by the President and in his absence by the Vice-President; and in the absence of both the President and the Vice President, by a Member chosen by the meeting to preside for the occasion.

34. One-third of the members of the Governing Council present in person shall constitute a quorum at any meeting of the Governing Council.

35. Not less than fifteen clear days notice of every meeting of the Governing Council shall be given to each member to his address in the roll of members.

36. At least two meetings of the Governing Council shall be held every year.

37. For the purpose of the last rule, each year shall be deemed to commence on the 1st day of April and terminate on the 31st day of March of the following calendar year.

38. The President of the Governing Council may himself call, or by a requisition in writing signed by him require the Secretary to call a meeting of the Governing Council at any time.

39. Each member of the Governing Council including the President or the Chairman shall have one vote and if there shall be an equality of votes on any question to be decided by the Governing Council, the President or the Chairman shall in addition have a casting vote.

40. Any business, except such as the Governing Council 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 Governing Council provided that at least one-third of the members of the Governing Council have recorded their views on the Resolution.

41. Where there is a difference of opinion among the members of the Governing Council, the opinion of the majority shall prevail. However, the President of the Governing Council may refer any question, which, in his opinion, is of sufficient importance for the decision of the Government of India and such decision shall be binding on the Society and its Governing Council.

Functions and Powers of the Governing Council

42. It shall be the function of the Governing Council generally to carry out the objects of the Society as set forth in Memorandum of Association.

43. The Governing Council shall manage the affairs of the Society and exercise all powers of the Society subject to the provisions of the Memorandum of Association. Government of India, may, however impose limitations in respect of such expenditure as is related to the grants made by the Government of India referred to rule 58(i).

44. The Governing Council shall have power to frame, amend or repeal, not inconsistent with these rules, bye-

laws pertaining to the administration and management of the affairs of the Society and also those providing for these matters.

- i) The preparation and sanction of budget estimates, 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 under Society;
- iii) The terms and tenure of appointment, emoluments allowances, rules of discipline and other conditions of service of the officers and staff of the Society;
- iv) Terms and conditions governing award of prizes, financial assistance to designers, technicians and others and framing of Bye-laws and such other matters as may be necessary for carrying out the administration and the objects of the Society.

45. Subject to these rules and Bye-laws the Governing Council shall have the power to appoint officers and staff for conducting the affairs of the Society and to fix the amount of their remuneration and to define their duties.

46. The Governing Council shall have the power to enter into arrangements with the Government of India, State Governments and other public or private organizations or individuals for securing and accepting endowments, grants-in-aid, donations or gifts to the Society on mutually agreed terms and conditions, provided that the conditions of such grants-in-aid, donation or gift, if any, shall not be inconsistent or in conflict with the nature or objects of the Society or with the provisions of these rules.

47. The Governing Council shall have the power to take over and acquire by purchase, gift or otherwise from Government and other public bodies or private individuals willing to transfer, securities, movable and immovable properties, endowments or other funds together with any attendant obligation and engagements not inconsistent with objects stated in the Memorandum of Association and the provisions of these rules.

Financial and Other Committees

48. The Governing Council shall have the power to appoint committees or sub-committees for carrying out the objects of the Society and to delegate any power to them as may be considered expedient.

49. The Governing Council may by resolution delegate to the President of the Council such of its powers for the conduct of business as it may deem necessary.

Functions and Powers of President

50. Appointments to the post of Director shall be made by the President of the Council with the approval of the Government of India.

51. The President may in writing delegate such of his powers as he may consider necessary to the Vice-President of the Governing Council and/or the Director/Secretary.

52. The President shall have the authority to review periodically the work and progress of the Society and to order enquiries into the affairs of the Society, and to pass orders on the recommendations of the reviewing or enquiry committees.

Functions and Powers of the Director

53. i) Subject to these rules, the Director shall in all matters under his charge have powers similar to the Head of the Department in the Government of India and such powers as may be given to him from time to time by the Governing Council.

ii) Deleted

a) Deleted

b) Deleted

c) Deleted

iii) **The Director shall have the powers to dispose off the current assets. However, such stores will have to be declared as obsolete, surplus, or unserviceable in terms of Rule 123 of General Financial Rules read with Schedule VII of Delegation of Financial Powers Rules 1978 and will**

have to follow the procedure laid down in Rule, 124 of General Financial Rules and Government of India's decisions thereunder.

54. He shall prescribe the duties of all officers and staff of the Society and shall exercise such supervision and disciplinary control as may be necessary in accordance with these rules.

55. It shall be the duty of the Director to co-ordinate and exercise general supervision over all activities of the Society.

56. (a) The Director shall exercise his powers under the direction, superintendence and control of the President of the Society.

(b) Notwithstanding anything contained in any of these articles, the Government of India may from time to time issue such directives as may be considered necessary in regard to the conduct of the business of the Institute or Director thereof and in like manner may vary and annul any such directives. It shall be the responsibility of the Director to give immediate effect to directives so issued.

Powers and Functions of the Secretary

57. The Secretary shall maintain a record of the proceedings of the Society and of the Governing Council and shall perform the duties pertaining to his office.

Funds of the Society

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

- i) Grants made by the Government of India.
- ii) Contributions from other sources.
- iii) Income from investments.
- iv) Earnings of the Society.
- v) Receipts from other sources.

59. The Bankers of the Society shall be any of the public sector banks. The Society is free to choose any of the public sector banks for the purpose. All funds shall be paid into the Society's account with the public sector bank(s) and shall not be withdrawn except on a cheque signed by such officer as may be duly empowered in this behalf by the President and countersigned by the President or by an officer authorised by the President in his behalf.

60. Deleted.

61. Matters concerning the financial aspects of the Society shall be referred to the Financial Adviser and Chief Accounts Officer of the Institute for his advise.

62. Deleted.

Accounts and Audit

63. 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 appointed by the Director in concurrence with the Governing Council.

ii) The accounts of the Society shall be audited annually by auditors and any expenditure incurred in connection with the audit of accounts of the Society shall be payable by the Society.

iii) The auditors shall have the same rights, privileges and authorities in connection with the audit of accounts of the Society as the Comptroller and Auditor General of India has in connection with the audit of Government accounts 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 accounts of the Society as certified by the auditors together with the audit report thereon shall be forwarded annually to the Central Government.

Annual Report

64. The Annual Report and the yearly accounts of the Society shall be prepared by the Governing Council and place before the Society at its Annual General 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 Society together with the Annual Report shall be sent to the Government of India and to the members of the Society for information.

Alteration or Extension of the purpose of the Society

65. With the prior approval of the Government of India, the Society may alter or extend the purposes for which it is established in accordance with the provisions of the Mysore Societies Registration Act 17 of 1960.

Alteration of the Rules

66. Any amendments of the Rules and Regulations of the Society may be brought into force by the Governing Council with the prior approval of the Government of India.

67. The Society shall not be dissolved without the consent of the Government of India and on such dissolution the assets of the Society shall be dealt with in accordance with the provisions contained in the Mysore Societies Registration Act 17 of 1960.