

CAPITAL ISSUES (APPLICATION FOR CONSENT) RULES, 1966

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CAPITAL ISSUES (APPLICATION FOR CONSENT) RULES, 1966

G.S.R. 600, dated the 29th March 1966 1.- In exercise of the powers conferred by Sec. 12 of the Capital Issues (Control) Act, 1947 (29 of 1947), the Central Government hereby makes the following rules, namely :-

1. Short title and commencement :-

- (1) These rules may be called the Capital Issues (Application for Consent) Rules, 1966.
- (2) They shall come into force on 1st April, 1966.

2. Definition :-

In these rules, unless the context otherwise requires "Act means the Capital Issues (Control) Act, 1947 (29 of 1947). ¹

1. The Act (29 of 1947) repealed by the Capital Issues (Control) Repeal Ordinance, 1992(9 of 1992).

3. Application for issue of capital :-

All applications for the issue of capital under the statute other than the securities exempted from the provisions of Sees. 3⁴ and 5 of the Act by the Capital Issues (Exemption) Order, 1969, shall be made to the Controller of Capital Issues, Ministry of Finance, New Delhi, in conformity with the requirements laid down in the questionnaire specified-

- (a) in Sch. B annexed to these rules, in the case of issue of bonus shares "than bonus share; and
- (b) in Sch. B annexed to these rules, in the case of issue of bonus shares.]

4. Fee payable on application :-

¹[(1) Every application under these rules for consent for issue of capital upto the value specified in column (1) of the Table below shall be accompanied by treasury receipt for the amount specified in the corresponding entry in column (2) thereof. TABLE (1) \ (2) Applications \ Amount (a) For each application for consent \Five thousand. for issue of capital upto and including three crores of rupees. (b) For each application for consent for Ten thousand rupees. issue of capital exceeding ten lakhs of rupees

(I-A) For the purposes of sub-rule (1), an application under any of the items-of rule 5 shall be considered as a separate application for the purposes of calculation of fee in each case.]

² [(2) The amount specified in coloumn (2) of the Table below sub-rule (1) shall be tendered to the office of the Controller of Capital Issues, in the form of a demand draft on the State Bank of India, Central Secretariat Branch, New Delhi, in favour of the Controller of Capital Issues, Ministry of Finance, New Delhi. The demand draft shall be crossed as "Account Payee" only.]

1. Subs. by S.O. 540 (E), dated 19th August, 1991 for sub-role (1) (w.e.f. 21st August, 1991).
2. Subs. by S.O.366 (E), dated 24th May, 1975.

5. Contents of application :-

An application under these rules shall include a request asking for,-

- (i) the consent of the Central Government to the issue of capital under the provisions of the Act;
- (ii). any alteration in the terms and conditions of a consent previously given by the Central Government or any extension of the period of validity for which such consent was given;
- (iii) the regularisation of the issue of any capital made without the prior consent of the Central Government; and
- (iv) the consent of the Central Government under the Act in respect of any matter not specifically mentioned in any of the foregoing clauses of this rule.

6. Application to be entertained only on payment of fee :-

No application under these rules shall be entertained unless it is accompanied by sufficient proof of the payment of the fee mentioned in rule 4.

7. Repeal :-

The Capital Issues (Application for Consent) Rules,1954, shall, as from the commencement of these rules, cease to be in force except as respects things done or omitted to be done thereunder.

SCHEDULE 1

SCHEDULE A

] Application Form for Issue of Securities, other than Bonus Shares, under the Capital Issues (Control) Act, 1947
With a view to reducing the time-lag between the submission of the applications and their disposal to the minimum, the companies wishing to obtain consents or acknowledgements for their capital issue proposals under the Capital Issues (Control) Act, 1947 are advised to apply to the Controller of Capital Issues, Ministry of Finance, New Delhi, only after the project for which the capital is proposed to be raised has been finally cleared in all respects by the concerned authorities including the administrative Ministry concerned. Prior clearances normally insisted upon by the Controller of Capital Issues are such as those relating to Industrial Licence, Capital Goods Clearance, Foreign/Technical Collaboration Agreements, grant of term loans or underwriting support or subscriptions to be raised from the Financial Institutions. Where the provisions of the Companies Act, 1956 (I of 1956) or the Monopolies and Restrictive Trade Practices Act, 1969 (54 of 1969), are attracted necessary clearances from the Department of Company Affairs are also to be obtained. In case of merger proposals, the order of the Court under the Companies Act, 1956 and the clearances of the Department of Company Affairs to be furnished. The application should be accompanied by true copies of the documents conveying the aforesaid clearance. 2. Application for consent to the issue of securities by companies should be addressed to the Controller of Capital Issues, and should be made in the form of a letter which should include answers to the questions shown below as far as they are applicable. NOTE.-The answers should follow the order of these questions and the short title of each question should be quoted against the corresponding answer. The answer should be so worded that the letter can be read independently of the form. The letter (with enclosures) should be sent in quadruplicate. PART A-GENERAL Total amount of the issue proposed Rs.....of which Equity Rs..... Preference Rs..... Debentures Rs..... 1. Present or proposed name. (If new company, name of promoters). 2. Date of Incorporation. 3. Corporate status whether public or private company and whether it is intended to alter the status. 4. Whether Government or Non-Government Company. 5. Place of Registration and location of Head Office, giving the complete addresses, if different. 6. Present Business.-Describe fully the company's present or proposed lines of business according to the location of its factories. (Mere reference to the objective stated in the Memorandum of Association will not be acceptable). 7. Previous Applications.-Give particulars under the headings as detailed below as separate annexure of any application previously made to the Government of India since 17th May, 1943 or to the Government of any former State in this connection by or on behalf of the same parties. (a) Date of application. (b) Number and date of consent order. (c) Amount of consent showing separately the amount consented against each security, namely, equity shares, preference shares, debentures, bonus shares, loans, etc. (d) Indicate the capital subscribed and paid-up against each consent (e) If refused, number and date of refusal. 8. Whether the company is covered by Part A of Chapter III of the Monopolies and Restrictive Trade Practices Act, 1969, if so- (a) Whether the company has got itself registered in terms of Section 26 of the said Act? (b) Whether the purpose for which the capital is proposed to be raised comes within the purview of Secs. 21 to 24 of the said Act? (c) Whether the company has obtained the approval of the Central Government (Department of Company Affairs) under the above mentioned sections? PART B-CAPITAL STRUCTURE AS ON DATE OF APPLICATION I. Capital (a) Authorised. (b) Issued. (c) Subscribed. (d) Paid up. (e) If any part of (b), (c) and (d) had been raised under the Capital Issues (Exemption) Order, 1969, give details. \ \ Equity Shares \ \ Preference Shares \ No. \ of Shares \ Par value per share \ Amount \ No. of shares Par value per share \ Amount 2. Give particulars of preference shares under the following heads :- (a) Date of issue of preference shares. (b) Date of dividend and whether taxable or tax free. (c) Details as to the terms of redemption and date/dates of redemption, if any. (d) Whether the preference shares are cumulative or non-cumulative, (Particulars are to be given for different series of preference shares and debentures separately). 3. Indicate outstanding debentures according to date of issue, rate of interest, date of redemption, securities, etc. 4. Indicate outstanding loans from Financial Institutions (other than Banks) and Government Agencies, etc. Give the detail (e.g., amount, period, security, rate of interest) separately for each loan. 5. If the shares are partly paid up shares, indicate why the capital requirements cannot be met by further calls on shares. 6. Indicate the total investments of the company and state the reasons for not using for the purpose in view and liquid or invested funds which may be or become available as an alternative to issuing new securities. 7. Indicate the existing equity and preference share holding of the company as per details given below :- Equity Pref. Shares \ \ No. of \ Face \ Percen- \ No. of \ Percentage \ \ shares \ value \ tage to

\shares \to the Pref. \ \ \the total \ \Capital \ \ \equity \ \Amount. (a) Non-resident holdings: d) Direct by foreign companies (ii) Direct by individuals and others (iii) Indirect holdings. (b) Shares held by Promoters/Directors, their friends and associates as defined in the Companies Act. (i) Promoter/Directors, their Friends. (ii) Associates including associate companies. (iii) Others in the Group. (c) Public Financial/ Developmental/ Institutions including State Finance Corporation, indicating the names. (d) Central or State Government holdings. (e.) Nationalised and other Banks. (f) Compaies registered under the Companies Act, (Specifying the names of large holdings). (g) General Public. TOTAL

8. Is the company directly or indirectly controlled by non-residents? 9. Please furnish the names of equity shareholders holding 3 per cent. or more of the equity capital of the company and the total equity capital held by such persons. PART C-OBJECTS OF ISSUE 1. Indicate in detail the objects of this issue. 2. State if a licence is required under the Industries (Development and Regulation) Act, 1951, for the proposed project. If so, indicate the number and date(s) of letter of Inient/Licence(s) against each project, if granted to the company, enclosing copy/copies thereof. If the licence(s) had expired, state if this/these was/were duly extended. 3. The total cost of each project according to the location of the factory or line of business may be given under the following headings:- Rupee \ Foreign exchange expenditure \Total expenditure (In Rupees) 1 \ \ \ 2 \ \ \ 3 (A) Capital Cost: (a) Land. (b) Buildings. (c) Plant and Machinery. (d) Other Services Including water, power, sewage, etc. (e) Cost of D.P.R., Consultants. (f) Pre-incorporation expenses other than (a) to (c) (g) Other expenses including expenses during initial production. (B) Working Capital. Total 4. If the estimates as stated in paragraph 3 above differ from the estimates stated in an application already made under the Industries (Development and Regulation) Act, 1951, for the issue of a licence, the difference may be explained. 5. If manufacture is according to a phased programme, give the requirement of capital (Rupee expenditure and Foreign Exchange requirements) for each year till the project's) is/are completed. 6. If one of the objects of the issue is to repay a loan, state the purpose of the borrowing and whether the consent of the Capital Issues was obtained for that borrowing. 7. If an existing concern or assets are to be acquired, give the name, location, ownership and the purchase price. Furnish a set of balance sheets of the last Five years, accompanied by a valuation report by a valuer approved by the Government, of the assets proposed to be acquired, and justify the amount charged for goodwill, if any. PART D- SOURCES OF FINANCE AND FOREIGN COLLABORATION 1. How is/are the project(s) proposed to be financed. Indicate details given below slating separately the source of financing in rupees and in foreign exchange. 2. (a) Capital already raised and expenditure incurred or set apart for the project(s). d) Internally generated funds (indicate the source). (ii) Capital raised under the Capital Issues (Exemption) Order, 1969. (iii) Capital raised against consents) already given for the project. (b) Capital expenditure to be met from the proposed issue of capital:-

_____ \ \ \ \No. of shares Par Value Amount Premium on \ \ \ \ \ \ \ \ \ \ shares, if any. (i) Equity shares. (ii) Preference shares. (iii) Debentures including Convertible Debentures and Bonds. (iv) Total amount of issue (c) Capital expenditure to be met from sources other than the proposed issue of capital. (i) Release of investments or from further call on shares. (ii) Internally generated funds (Indicate the source). (iii) Loans from holding company, Directors or from the public. (iv) Loans from banking institutions. (v) Loans from Financial institutions indicating the names. (vi) Deferred payment arrangements (enclosing a copy of the agreement). (vii) Unsecured Public Deposit. 3. Indicate the issue to be made to foreign collaborators and non-residents and foreign financial institutions staling the number of shares and the amount (in Rupee currency) of such issues securitywise:- (a) Issues under any foreign collaboration agreement enclosing a copy thereof and the approval of the Government if it has been obtained. (b) Issues to non-residents on 'Rights' basis. (c) Issues to non-residents other on 'Rights' basis. Note.- -With regard to (a) and (c) above, indicate the names of parties, their status (individuals or companies) and nationality or countries. 4. Give particulars of the extent and nature of any foreign collaboration in the form of consultancy or technical assistance agreements. Indicate the agreed royalty payments and provision for training of the Indian technicians. PART E- PARTICULARS OF ISSUES 1. General (a) Whether the proposed issue is for cash ? (b) If the issue or part of the issue is for consideration other than cash, give complete details as to:- (i) The type of security to be issued. (iii) The consideration involved (e.g. purchase of assets, technical services, know-how, preliminary and pre-incorporation expenses, goodwill, etc.) (ill,' The names of parties concerned and their present and proposed interest in the company. (c) If the issue is to give effect to any merger or amalgamation scheme, give reasons for the merger or amalgamation and details of the amalgamation units in a separate Annexure to this application as follows:- (i) Lines of business. (ii) Existing capital structure according to Part B of this application. (iii) Dividends of the company for preceding five years.- (iv) Market quotation of the shares, if quoted. (v) A copy of the valuation report fixing the rate of exchange of shares. (vi) Copies of special resolution passed by the companies in general meetings. (vii) Copy of the Scheme and of the Order of a court, if any, approving the scheme and a copy of the petition to a court. (viii) A list of common shareholdings of the companies showing the interest of each in the companies. (ix) Copies of audited balance-sheets and profit and loss accounts of the company making the issue and of amalgamating units for the preceding five years. 2. Issue Price (a) Indicate whether the equity shares are to be issued at par or at a premium staling the issue price. The reasons for the issue of shares at ^premium, or at par if quoted at a premium, may be stated. (b) In the case of existing companies state- (i) the rate at which shares of the same class as that proposed to be issued have recently been transferred; (ii) If the security is listed the latest quotation of the share specifying the date and the name of the stock exchange; (iii) dividends paid by the company for the preceding five years. 3. Particulars of preference shares and Debentures (a) Rate of dividend/interest and whether taxable or tax free; (b) The terms and date(s) of redemption, if any; (c) Whether preference shares are cumulative or non-cumulative; (d) Indicate whether the debentures and preference shares are to be issued at par, premium or discount and the reasons therefor; (e) Indicate the security to be offered in the case of debentures. 4. Particulars of Loans, etc. (a) Describe in detail instruments creating a charge or lien on the assets of the company or which acknowledge a loan or indebtedness of the company and are guaranteed by or entered into jointly with a third party. (b) Exact amount of loan. (c) Source(s) from which the loan will be raised. (d) Terms on which the loan will be obtained, e. g., rate of interest period how repayable, etc. nature of security. 5. Allotments Indicate the proposed allotments of equity and preference shares and debentures slating the number of shares, etc. and the amount involved, separately against the following heading"- (a) 'Rights' issue. (b) Firm allotments to:- (i) Foreign collaborations. I(ii) Other non-residents. (iii) Promoters, directors and their friends and relations. (iv) Financial institutions indicating the name of each institutions. (v) Central Government/State Governments. (vi} Companies registered under the Companies Act:- (I) Companies under ' same management', (II) Inter-connected companies as defined in the Monopolies and Restrictive Trade Practices Act, 1969. (c) Unreserved offer to be

made to the public by prospectus (enclose two copies of the draft thereof). (d) Indicate the timing of the offer at (a), (b) and (c) above. (e) Indicate the manner in which the calls on the shares till these are fully paid up. 6. Underwriting and Listing Arrangements (a) Has the company over issued equity by making a public offer through prospectus ? If so the details thereof. (b) If the issue by prospectus is to be underwritten, indicate the particulars under , ' the following heading: (i) Name(s) of the underwriters; (ii) Proposed underwriting obligation; (iii) Commission or brokerage payable; (c) State whether the company proposes to get its shares/debentures listed on the Stock Exchange(s). (d) Indicate the interest, if any, of the promoters, directors, etc. in the underwriting arrangements. PART F- MISCELLANEOUS I. Indicate the interest in the company of Promoters and Directors, as under:- (a) Name, qualification and address. (b) Occupation and nationality. (c) Position or connection with the company as Chairman, Managing Director, Director, Promoter. (d) Equity or preference shares held or proposed to be held in the company. (e) Extent of any existing interest or proposed interest other than (d) above. (f) Directorships held in other companies indicating their names. 2. State whether all the Directors have agreed in writing to serve. 3. The applicant may give here any further information in support of the request, e.g. data regarding estimated profitability of the project and the rate of return of the capital employed. PART G-CERTIFICATE FROM COMPANY'S AUDITORS TO THE FOLLOWING EFFECT : We have verified the information furnished in the above application of the company for issue of fresh capital and find the same as correct. We also certify that we have received all the information required by us for the verification. We hereby certify that the requirements of Cl. 5 of the Capital Issues (Exemption) Order, 1969, have been fully met by company for the issue of acknowledgement/consent by the Controller of Capital Issues according to the information furnished to us and to the best of our knowledge. Place: Signature:- Date: Auditor. Enclosures (i) Treasury receipt for the requisite application fee credited to "104-Other General Economic Services-Other receipt towards issue of capital under the Capital Issues (Control) Act, 1947". (ii) Two copies of the memorandum and Articles of Association. (iii) Particulars of previous applications. (iv) Latest audited balance sheet and Profit and Loss Account and Auditors' report to the shareholders. (v) List of existing non-resident shareholders. (vi) Copy of letter of Intent/Licence issued under the Industries (Development and Regulation) Act, 1951, if any. (vii) Copy of the approval by the Central Government of the foreign collaboration, if any. (viii) Copy of foreign collaboration agreement, if any. (ix) Draft prospectus (two copies), if issue is through a prospectus. (x) Particulars of Directors, Promoters, etc. (xi) Other documents, as required.

SCHEDULE 2
SCHEDULE B

(See Rule 3) Application form for issue of bonus shares under Capital Issues (Control) Act, 1947 Application for consent to the issue of Bonus Shares should be addressed to the Controller of Capital Issues, Ministry of Finance, New Delhi, and should be made in the form of a letter which should include answers to the question shown below as far as the > are applicable. Note.-The answers should follow the order of these questions and the short title of each question should be quoted against the corresponding answer. The answer should be so worded that the letter can be read independently of the form. The letter (with enclosures' should be sent in duplicate. PART A-GENERAL Total amount of the Lissue proposed Rs. in the ratio of Bonus Shares for equity shares : 1. Name of the company. 2. Date of incorporation. 3. Corporate status, whether public or private company and whether it is intended to alter the status. 4. Whether Government or non-Government company. 5. Place of registration and location of Head Office, giving the complete addresses, if different. 6. Present business: Describe fully the company's or proposed lines of business according to the location of its factories. (Mere reference to the 'objectives stated in the memorandum of association will not be acceptable). 7. Previous application: Give particulars under the headings as detailed below (as a separate annexure) of any application previously made to the Government of India since 17th May, 1943 to the Government of any former State in this connection by or on behalf of the same parties. (a) Date of application. (b) Number and date of consent order. (c) Amount of consent. (d) If refused, number and date of refusal. (e) Dates of announcements of last Bonus Issue and proposed Bonus Issue. (f) Number of Bonus Issues made during the last five years and the dates on which the Bonus Issues were made. (g) Date of enlistment of last Bonus Issue with Stock Exchange. (In the cases of unlisted shares, the date of actual despatch of share certificates and in the case of private limited companies, the date of last Bonus Issue). 8. Indicate in detail the objects of the Bonus Issue. PART B- CAPITAL STRUCTURE AS ON DATE OF APPLICATION 1. Capital:

Equity Shares Preference Shares \ \No. of Value per Amount No. of Value per Amount \ \ \Shares share shares share

1 2 3 4 5 6

(a) Authorised. (b) Issued. (c) Subscribed. (d) Paid up. (e) If any part of (b), (c) and (d) has been raised under Exemption Order, give details. (2) Details of partly paid-up shares, if any:- (3) Indicate the equity and preference shareholding of the company, as per details given below:-

Equity Preference Total \ \ \ share- share share amount/ \ \ \ holders amount amount percentage \ \ \ percentage _____ No. of _____ (a) Non-resident holdings:- (i) Direct. (ii) Indirect (Enclose a list of (i) and (ii) as a separate Annexure). (b) Directors, their friends, relatives and associates as defined in the Companies Act. (i) Directors. (ii) Friends, relatives and associates including Associate companies. (c) Public financial institutions indicating the names. (d) Central Government or State Governments. (e) Companies registered under the Companies Act. (f) Others. TOTAL

_____ (4) Is the company directly or indirectly controlled by non-residents? (5) Details of dividends paid in the last Five years. PART C-PARTICULARS OR RESIDUAL RESERVES AND PRE-TAX PROFITS NOTE-A copy of the General Body Resolution authorising capitalisation of Reserves should be furnished. I. Residual Reserves Test (a) Total of Reserves including Development Rebate Reserve (As on,.....) (i) General Reserve (ii) Development Rebate Reserves (iii) Dividend Equalisation Reserves (iv) Profit and Loss Account Surplus (v) Other free Reserves, if any. (b) Less Deductions, if any, on account of proposed dividend, contingent liabilities, gratuity (c) Balance free Reserves available for capitalisation. (d) Amount proposed to be capitalised (e) Increased capital would be (f) Reduced reserves would be (g) Percentage of Reduced reserves to increased paid up Reduced reserves x 100 capital : - increased paid by capital 2. Profitability (Pre-tax Profits) Test _____ Year Net Profits

Development Rebate Total profits before tax Reserves before tax

(3) Total.

(a)

Average Profits:- (b) 30 per cent. of the average: (c) Deduct Dividend in preference shares, if any: (d) Balance available: (e) 9 per cent. on the increased paid-up equity capital: 3. Dividend proposed to be declared on the enhanced capital. PART D-MISCELLANEOUS Indicate the interest in the company of Promoters and Directors (a) Name, qualifications and address. (b) Occupation and nationality. (c) Position or connection with the company as Chairman, Managing Director, Director, Promoter. (d) Equity or preference shares held or proposed to be held in the company. (e) Extent of any existing interest other than (d) above. (f) Directorship held in other companies indicating their names. PART E-AUDITOR'S CERTIFICATE TO THE FOLLOWING EFFECT We have verified the information furnished by the company in the above application for issue of bonus shares and find the same as correct. We also certify that we have received all the information required by us for the verification. We hereby certify that the proposal contained in the application for the issue of bonus shares meets all the requirements of the guidelines in force issued by the Government in this regard according to the information furnished to us and to the best of ' our knowledge. Signature: _____ Place: Auditors Date: Enclosures'. (i) Treasury receipt for the application fee credited to "104-Other General Economic Services-Other receipts-Receipt towards issue of capital under the Capital Issues (Control) Act, 1947". (ii) Copy of the Memorandum and Articles of Association. (iii) Particulars of previous applications). (iv) Latest audited balance-sheets and profit and loss accounts for the last three years and auditors' report to the shareholders. (v) List of existing non-resident shareholders. (vi) Particulars of Directors, Promoters, etc. (vii) Other documents, as required. I, Shri _____ in my capacity as _____ solemnly affirm that the facts stated above are true to the best of my knowledge and nothing has been withheld. Signature: _____ Name in Capital Letters. Principal Officer of the Company." 6. Provision regarding the members of the Managing Committee.- (a) The Chairman, Treasurer and non-official members of the Managing Committee shall be nominated by the Central Government for such periods as they may decide from time to time. (b) The official members, including the Secretary, shall hold office during the pleasure of the Central Government. (c) Subject to the preceding clauses, a member of the Managing Committee shall cease to be such member if he dies, resigns, become of unsound mind, becomes insolvent or is convicted of a criminal offence involving moral turpitude. (d) A resignation of membership shall be tendered to the Chairman of the Managing Committee and shall not take effect from until it is accepted on behalf of the Committee by the Chairman. 7. Conduct of business.-The Managing Committee may meet together for the conduct of business, adjourn and otherwise regulate its meetings and proceedings as may be determined by the bye-laws. Unless otherwise determined, the quorum for a meeting of the Managing Committee shall be three members personally present at the meeting. A meeting of the Managing Committee at which a quorum is present shall be competent to exercise all or any of the functions of the Committee. Every matter shall be determined by a majority of votes of the members present and voting on the question. In the case of equality of votes, the matter shall be decided according to the vote of the Chairman. 8. Management of the Fund.- (a) Subject to any general or special directions given by the Central Government, the general management of the affairs of the Fund shall be vested in and rest with the Managing Committee. (b) The monies particulars whereof are given in Schedule "A" hereto, shall form the corpus of the Fund and only the interest thereon shall be used for furthering the objects of the Fund. 9. Functioning of the Managing Committee.-The Managing Committee shall function notwithstanding that any person who is entitled to be a member by reason of his office or otherwise is not a member for the time being and notwithstanding any other vacancy in the Managing Committee and no act or proceeding of the Managing Committee shall be invalid merely by reason of the happening of any of the above events or of any defects in the appointment of any member of the Managing Committee. 10. Appointment of staff.-The Managing Committee may appoint such clerical or technical staff as it considers necessary or expedient on such terms and conditions as it considers fit. 11. Framing of bye-laws.- (a) The Managing Committee may with the approval of the Government of India make bye-laws for the regulation, management and any other purpose connected with the administration of the Fund and the trusts thereof and may alter, vary or rescind the same subject to the approval of the Government of India from time to time. (b) The Managing Committee shall frame with the approval of the Government of India, rules clearly laying down the terms on which assistance will be given to trainees and ex-trainees. (c) All decisions of the Managing Committee in regard to the type and extent; of assistance to be given to a trainee or ex-trainee shall be final and no appeal shall lie with the Central Government. 12. Appointment of Committee.-The Managing Committee may appoint one or more sub-committees as it considers necessary or expedient. 13. Delegation of powers.-The Managing Committee may delegate any of its powers to any sub-committee so appointed or to the Chairman, Secretary or Treasurer. All decisions taken by a sub-committee as appointed or by the Chairman, Secretary or Treasurer relating to disbursement and the income of the Fund or part thereof shall be subject to ratification by the Managing Committee, 14. Remuneration to members of Managing Committee.-Members of the Managing Committee shall not be entitled to any remuneration except travelling and daily allowances at rates to be determined by the Managing Committee with the concurrence of the Central Government. Representative of the Central Government will draw their travelling and daily allowances from Central Revenues. The expenditure on the travelling and daily allowances of the other members of the Managing Committee shall be met from the Fund. 15. Deposit of monies.-All monies of the Fund shall be deposited in a branch of the State Bank of India or any of its subsidiaries or any scheduled bank approved in this behalf by the Central Government. 16. Accounts and Audit.-Regular accounts shall be kept of all monies and properties belonging to the fund and shall be audited by a firm of chartered accountants or any other recognised auditors as may be appointed by the Managing Committee. The Auditors shall also certify that the expenditure from the Fund has been correctly incurred in accordance with the objects of the Fund. Copies of the annual accounts of the Fund duly audited and certified by the auditor of the Fund shall be submitted to the Central Government every year and to Shrimati Zenobia Jamasp Dastur during her life time. 17. Contracts.-All contracts relating to the administration of the Fund shall be executed in the name of the Fund by the Chairman or the Secretary of the Fund and shall also be signed by the Treasurer. 18. Use of the Fund.-Subject to the condition specified in 8 (b) above and further subject to any general or special directions that the Central Government may issue from time to time, it shall be lawful for the Managing Committee to expend the monies in the Fund for the objects of the Fund. 19. Sale and investment of monies.-The Managing Committee shall invest the proceeds of the sale or other disposal of the property as well as any moneys or property not immediately required to be used for the objects of the Fund in any one or more of the modes of investment for the time authorised by law for the investment of the trust moneys as the Managing Committee may think proper. 20. Receipt of additional endowments.-The Managing Committee may receive any additional endowments, donations, grants or other contributions in augmentation of any of the monies and properties of the Fund or for general purposes of the Fund. It may also receive endowment, donations, grants or other contributions for any special purpose connected with the scheme not inconsistent with or calculated to impede the due working of

the provisions of this Scheme. IN THE MATTER OF THE CHARITABLE ENDOWMENTS ACT, 1890 AND IN THE MATTER OF "THE BARJORJI MANEKJI SUTARIA PRIZE FUND" IN CONNECTION WITH THE ELPHINSTONE HIGH SCHOOL, BOMBAY, THE R.C. HIGH SCHOOL, AHMEDABAD, AND THE R.S.DALAL HIGH SCHOOL. BROACH ' Vesting Order and Scheme No. 6170, dated the 24th November, 1926.-Whereas Barjorji Manekji Sularia, last of the Bombay Education Service, died at Bombay on or about the 3rd day of June, 1936 and on his Oathman or third day's death ceremony a certain sum was subscribed by his widow, children and relatives in his memory. And whereas on behalf of himself and the other subscribers to the fund application has been made to the Government of Bombay by the deceased's son Ardeshir Barjorji Sularia, Esquire, B.A.LL B. Solicitor, Bombay, that the securities of the Government of India to the amount of two thousand rupees (Rs. 2,000) particulars whereof are specified in the Second Schedule hereto may be vested under the Charitable Endowments Act, 1890 (6 of 1890), in the Treasurer of Charitable Endowments for the territories subject to the Government of Bombay in order and upon the terms that the income accruing therefrom may be applied for the purpose of awarding annually a prize to a Parsi pupil of the Elphinstone High School, Bombay, the R.C. High School, Ahmedabad, and the R.S. Dalal High School, Broach. And whereas the Government of Bombay has approved of and agreed to the said terms as to the application of the said income, as the same are hereinafter set forth, and has in pursuance of section 5 of the said Act and with the concurrence of the said Ardeshir Barjorji Sularia, Esquire, settled the scheme for the administration of the said property which is set forth in the First Schedule hereto. Now, therefore, under and by virtue of the powers conferred by section 4(1) and Section 5 (1) of the said Act, the Government of Bombay is hereby pleased on the application aforesaid of the said Ardeshir Barjorji Sularia, Esquire, to order that the securities of the Government of India to the amount of two thousand rupees (Rs.2,000/-), particulars whereof are set forth in the Second Schedule hereto, be and the same are hereby vested in the Treasurer of Charitable Endowments for the territories subject to the Government of Bombay, upon the terms that the same shall be held as an endowment for the purposes and objects mentioned in the said scheme set forth in the First Schedule hereto, and that he shall collect or draw the income or interest thereof as and when the same becomes due and payable and shall pay the same as and when the same shall from time to time be received by him to the person or persons appointed to administer the same under the said : scheme and that such scheme shall come into operation as on the date hereof. THE FIRST SCHEDULE ABOVE REFERRED TO Scheme 1. The endowment fund shall be know as "The Barjorji Manekji As per GR. E and Sularia Prize Fund" in connection with the Elphinstone% 1., No. 6170, dt. 25/8/1949. High School, Bombay, the *R.C. High School, ^Commercial Ahmedabad, and the R.S. Dalal High School, Broach. 2. The income accruing from the fund shall be administered by the Director of Public Instruction of the Bombay Presidency for the time being. 3. The income accruing from the fund shall be annually devoted to the grant of a prize to be called the Barjorji Manekji Sutaria Prize to such Parsipupil who shall pass the Matriculation Examination with the highest number of marks from any of the three institutions mentioned in condition I above. 4. If any year there shall be no Parsi pupil passing from the said institutions the prize shall be given to the Parsi pupil passing the said examination with highest number of marks from nay other Government shcool in the Bombay Presidency. 5. The trust shall operate in favour of any institutions by which the said institutions may, with the approval of the Government of Bombay, be replaced and for such other purposes of a like nature or in furtherance of the inlent specified as shall at any time seem proper to the Government of Bombay. 6. The investment, management and dispensation of the fund shall be at the discreation of Government.