

**THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**<sup>1</sup>INSURANCE BROKERS ASSOCIATION OF INDIA**

- 1.i) In these Articles :
- (a) "The Act" means the Companies Act, 2013, as amended from time to time.
  - (b) "The Seal" means the Common Seal of the Company.
- ii) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.
- iii) Unless otherwise stated, the provisions contained in Table 'H' in Schedule I to the Act shall apply.

**DEFINITIONS**

- (a) "Authority" means Insurance Regulatory and Development Authority of India
2. (b) "Company" means The Insurance Brokers Association of India.
- (c) "Board" or "Board of Directors" shall mean the Board of Directors of the Company for the time being in office.
- (d) "Insurance Broker" means any entity licensed as such under the Regulations.
- (e) "Designated Person" means the Principal Officer (as defined in the Regulations) and / or any Director of the Insurance Broker who has undergone necessary training and passed the examination as specified under the Regulations.
- (f) "Insurance" includes Re-insurance.
- (g) "Member" means any Insurance Broker as defined in these Articles.
- (h) "Regulations" means Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2013 as amended from time to time.
- (i) "Special Resolution" means a resolution having 75% affirmative vote in favour of the Resolution put to vote.
- (j) "Year" means a period of twelve months. .

**MEMBERS**

- 3.1 Insurance Brokers, holding valid license issued under the Regulations, shall become members of the Company.

**ADMISSION OF MEMBERS**

- 4.1 An application for membership shall be made to the Company in the prescribed form from time to time, together with the required fees and annual membership subscription.
- 4.2 An applicant, on becoming a member shall be deemed to abide by, and be subject to, the Memorandum and Articles of Association of the Company and the code of conduct/ethics for members framed by the Company from time to time.

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<sup>1</sup> The New Set of Articles of Association was adopted vide resolution passed in the Extra Ordinary General Meeting held on 5<sup>th</sup> April, 2018.

- 4.3 Upon being admitted to the membership, a member shall nominate (by way of a resolution of its Board or through equivalent authorization) a Designated Person who shall be authorized to correspond with the Company. The member shall intimate the Company regarding such nomination or any modifications to the same.

### **FEES AND SUBSCRIPTION**

- 5.1 The Board of Directors shall have the power to determine from time to time by resolution passed by affirmative vote of a simple majority of its members, present and voting, the fees or the Annual Membership Subscription payable by the members of the Company, subject to the maximum fixed by Articles 5.2 below.
- 5.2 Till the Board otherwise decides in pursuance of clause 5.1 above, the fees and subscription payable by the members of the Company shall be as under:-
- a) The Entrance Membership fees payable by a member shall not exceed Rs.5000/- plus applicable taxes.
  - b) The annual membership payable by a member shall not exceed Rs 1,00,000/- plus applicable taxes for a Direct Broker and Rs 3,00,000/- plus applicable taxes for Reinsurance and Composite Brokers. The expressions 'Direct Broker', 'Reinsurance Broker' and 'Composite Broker' shall have the meaning ascribed to them under the Regulations.
- 5.3 The Annual Membership Subscriptions shall be payable by the 30<sup>th</sup> day of June of every year.

### **CESSATION OF MEMBERSHIP**

- 6.1 A member of the Company shall cease to be a member in the following circumstances:
- 6.1.1 Upon the cancellation or surrender of the Insurance Broker license in accordance with the Regulations.
  - 6.1.2 If the member fails to pay the Annual Membership Subscription by the due date of 30<sup>th</sup> day of June of a year or the period extended by the Board.
  - 6.1.3 Removal of the member by a special resolution passed at a general meeting of the Company.
  - 6.1.4 If a member is adjudged an insolvent.

Provided however that if the member ceases to be a member by virtue of clause 6.1.3, the Company may readmit such a member on an application being made in that behalf and subject to such conditions as the Board of Directors may think fit.

6.2 A member, whose license has expired, shall not be eligible to vote at any general meeting or nominate a Designated Person to the Board till such time the license is renewed by the Authority in accordance with the Regulations.

### **VOTES OF MEMBERS**

- 7.1 Every member shall have one vote.
- 7.2 No member shall be entitled to vote at any general meeting unless all sums owed presently by the member to the Company have been paid in accordance with Article 5.3.
- 7.3 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Provided however that any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and binding.
- 7.4 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the revocation of the proxy or of the authority under which the proxy was executed. Provided that no intimation in writing of such revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or

adjourned meeting at which the proxy is used.

7.5 The voting shall include voting by electronic means.

### **GENERAL MEETINGS**

- 8.1 All general meetings other than Annual General Meetings shall be called Extra Ordinary General Meetings.
- 8.2 The Annual General Meeting shall be held once every year and shall be called by giving not less than 21 clear days' notice which may be sent by post and e-mail, wherever possible, to all the members, specifying meeting place and the agenda of the meeting.
- 8.3 The quorum for the Annual General Meeting shall be five members, represented through their duly appointed Designated Persons.
- 8.4 The Board may call for any Extra-Ordinary General Meeting (EGM) for transacting any urgent business, which cannot be postponed to the next Annual General Meeting. The quorum for such EGMs and the notice period shall be the same as that of an Annual General Meeting.
- 8.5 No business shall be transacted at any General Meeting unless a quorum is present when the meeting proceeds to business.
- 8.6 If within half an hour of the appointed time for holding the meeting, the quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine.  
If the adjourned meeting also , a quoram is not present within half –an –hour from the time appointed for holding meeting the members present shall be quorum
- 8.7 The Chairman of the Board shall preside as Chairman at every general meeting of the Company.
- 8.8 If the Chairman is not available, the directors present shall elect one of them to be the Chairman of the meeting.
- 8.9 The Chairman with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- 8.10 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 8.11 Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- 8.12 The following business shall be transacted at the Annual General Meeting :
  - a) Election of Directors as specified in Article 9 herein below;
  - b) To approve the appointment of the Auditor to audit the accounts of the Company;
  - c) To approve the audited accounts and annual reports
  - d) To consider and approve any other resolution which may be included in the Agenda.

### **BOARD OF DIRECTORS**

- 9.1 Only a Designated Person who has not reached 65 years of age shall be eligible to be appointed as Director.
- 9.2 The Board of Directors shall not be less than three and not more than twenty which shall be limited to 6 directors from North and West Zone and 4 directors from East, and South.  
  
One director shall represent 25 members of each zone but the maximum director in each zone will be limited to as mentioned above (more than half will be rounded to one)

- 9.3 Till such time the Board is constituted, the subscribers to the Memorandum of Association shall be first Directors of the Company.
- 9.4 The Board shall appoint the following office bearers (who shall be Directors) for managing the affairs of the Company:
- a) The President
  - b) 2 Vice-Presidents
  - c) Honorary Secretary
  - d) Treasurer

The officials so appointed shall hold office for a period of three years or earlier when the term of such Directors comes to an end in accordance with these Articles. The Board of Directors may, by a simple majority, choose to appoint an office bearer for a term less than three years.

An office bearer as appointed above shall not be eligible to be re-appointed in the same post until three years have elapsed from the end of the earlier term in that post.

Subject to the conditions indicated hereinabove, a Director who has completed his term as an office bearer may be appointed to a different post.

#### 9.5 Election to the Board of Directors

Subject to the conditions specified in these Articles, all members may nominate Designated Persons for the election to the Board.

One-third of the Board Members will offer themselves for re-election every year and no member will continue without re-election beyond a period of three years as a Board member. **In any situation if only one director (due to round off) is to be retired out of number of other Directors, the senior most Director age wise shall retire irrespective of Zone.**

A Director who has held office as such for two consecutive terms of three years each shall be eligible for re-election as Director only after three years have elapsed from the end of his last term.

A Director who reaches 65 years of age before the date of Annual General Meeting shall continue as Director and shall retire at the Annual General Meeting. Any retiring Director shall not be counted as part of the one-third of Board members who shall offer themselves for re-election at the Annual General Meeting.

Following the vacancy caused due to resignation or death of any Director, the Board may appoint a Director to fill such vacancy. The Director so appointed shall hold office till the date of next Annual General Meeting.

#### 9.6 Process of election

The process of election shall begin by the appointment of an Election Officer by the Board to conduct the election. The decision of the Election Officer shall be final and binding on all matters pertaining to scrutiny of nominations and matters relating to the voting rights of the members.

The election notification shall be published on the website of the Company and also sent electronically to each member as per the records available with the Company and such notification shall detail :

- I, the last date and time for the receipt of nomination
- li, the date of scrutiny of nomination
- lii, the last date for withdrawal of nomination
- Iv, the date of Annual General Meeting
- V, Method of voting by poll and /or E voting as prescribed under the Act.

Nomination for the candidates shall be called at least twenty one days before the date of Annual General Meeting. The members can nominate only Designated Persons to contest the election.

The filing of nomination, their scrutiny and final list shall be displayed on Company's website before fourteen days of the Annual General Meeting.

Two days shall be permitted to withdraw the candidature and the final list of candidates shall be displayed on the website of the Company.

Voting shall take place at the Annual General Meeting and counting of votes and declaration of results will be completed on the date of Annual General Meeting and results shall be declared.

In case of any dispute or difference of opinion, the decision of the Election Officer shall be final and binding

#### 9.7 Remuneration of Directors

- i. The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.
- ii. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them :
  - a. In attending and returning from meetings of the Board or any committee thereof or general meeting of the Company; or
  - b. In connection with the business of the Company.
- iii. Remuneration to Directors, being members, shall be subject to the approval of the Central Government.

#### 9.8 Proceedings of meetings of the Board

- i. The Board of Directors shall meet to dispatch the business, adjourn and otherwise regulate its meeting, as it thinks fit. The Board shall also frame rules and regulations for the activities of the Company including the conduct and the administration of its business. The Board shall meet at least once within every six calendar months.
- ii. A director may, and the Secretary on requisition of a director shall, at any time summon a meeting of the Board within six weeks from the receipt of the request for such meetings.
- iii. A Meeting of the Board shall be called by giving 7 days' written notice, which can be sent by post, signed by the Secretary. The Board shall meet at such time and place as is designated by the Secretary when necessary without the stipulated notice provided that all the Directors unanimously agree to the waiver of such notice.
- iv. The quorum for the Board meeting shall be either eight Directors or twenty five percent of its total strength, whichever is less. .
- v. All decisions and resolution of the Board can be passed by a simple majority. However, for the following, a special resolution is required to be passed :
  - a. To terminate or cancel the membership of any individual which shall be ratified by the members in General Meeting.
  - b. To approve the annual budget of the Company.
  - c. To approve any non-budgeted expenditure in excess of Rs.2,00,000- (Rupees two lakh only).
- vi. The Board may pass resolutions by circulation as per the provisions contained in the Act, as amended from time to time.
- vii. The continuing directors may act notwithstanding any vacancy in the Board but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

- viii. The President shall act as the Chairman of the Board. If the Chairman is not available at any meeting, the Directors present may choose one of them to be Chairman of the meeting.
- ix. The Board may, subject to the provisions of the Act, delegate any of its powers to a committee of Designated Persons who are nominated by the members..
- x. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- xi. The Chairman of the Board shall also be the Chairman of the committee.
- xii. If at any meeting of the committee the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their numbers to be the Chairman of the meeting.
- xiii. A committee may meet and adjourn as it thinks proper.
- xiv. Questions arising at any meeting of the committee shall be determined by a majority of votes of the members present.
- xv. All acts done by any meeting of the Board or a committee thereof, or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them are disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.
- xvi. Save as other expressly provided in the Act, a resolution in writing, signed by all the members of the Board or committee thereof for the time being entitled to receive notice of a meeting of the Board or a committee, shall be as valid and effectual as if it had been passed at the meeting of the Board or committee, duly convened and held.

#### **MANAGER AND/OR SECRETARY**

- 10.1 A Manager and/or a Secretary may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit and any Manager and/or Secretary so appointed may be removed by the Board.
- 10.2 A Director may be appointed as Secretary and any remuneration paid to him / her in that capacity shall be subject to the prior approval of Central Government, if required.

#### **AUDITOR AND ACCOUNTS**

- 11.1 The financial year shall be from 1<sup>st</sup> April to 31<sup>st</sup> March. At the end of every financial year, the Treasurer shall prepare a Balance Sheet and an Income and Expenditure Account of the Company and shall have it duly audited by a Chartered Accountant. The audited statement of accounts shall be circulated amongst Board members by the Secretary.
- 11.2 Bank accounts may be maintained in the name of the Company and deposits and withdrawals shall be made under the **signature** of any two out of the following office bearers viz. the President, The Vice-President, The Treasurer and the Honorary Secretary of the Board.
- 11.3 Contribution and donations may be solicited from any person or organization for the purposes of the Company.
- 11.4 All funds of the Company shall be used exclusively for the purposes of the Company.

#### **AMENDMENT TO THE ARTICLES**

- 12.1 Articles may be amended or altered by passing a Special Resolution to that effect in the General Body meeting of the Company, subject to the prior approval of the Registrar of companies (ROC).

## **THE SEAL**

- 13.1 The Board shall provide for the safe custody of the Seal.
- 13.2 The Seal of the Company shall not be fixed to any instrument except by the authority of a resolution of the Board of Directors and except in the presence of at least one Director and of the secretary or such other person as the Board may appoint for the purpose and that one Director and the secretary or the person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

## **SECRECY**

- 14.1 The Chairman and every Director, Manager, Auditor, Member of Committee, Officer, Accountant or any other person employed shall pledge himself to observe a strict secrecy in respect of all transactions of the Company and shall always be bound not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by a member of the Board or by any meeting or by a Court of Law or by the person to whom such matters relates and except in so far as may be necessary in order to comply with any of the provisions in these present contained.
- 14.2 In addition to the obligation stipulated in Article 14.1, every member shall adhere to the "Code of Conducts" issued by the Board of Directors from time to time. 14.3 No member shall be entitled to require discovery of or any opinion in respect of any detail of the Company's activities or any matter which is or may be in the nature of a trade secret or secret process which may relate to the conduct of the activities of the company and which in the opinion of the Directors shall be inexpedient in the interest of the members of the Company to be communicated to the public.
- 15.1 The use of the name of the Company for the purpose of advertisement is prohibited.
- 16.1 Every member shall abide by these Articles of Association or any alteration or modification thereof that may be from time to time in conformity with the Companies Act, 2013 for the time being in force subject to the approval of the Government.
- 17.1 Alterations to these Articles as approved by the members of the Company vide special resolutions passed at the Extra Ordinary General Meeting of the Company held on 05/04/2018 shall come into effect from the date of the 2018 Annual General Meeting of the Company. Any tenure of office stipulated by these Articles shall be calculated from the date of the 2018 Annual General Meeting of the Company.

**We, the several persons, whose names, addresses and descriptions are herewith subscribed below are desirous of being formed into a Company in pursuance of this ARTICLES OF ASSOCIATION:**

<b>Name, Address, Occupation and Description of each Subscribers</b>	<b>Signature of Subscribers</b>	<b>Signature, name and address, description and Occupation of Witness</b>
1. Jugal Boda S/o Mugatlal Boda 134-136/C, Mittal Court Nariman Point Mumbai 400 021 Business	Sd/-	
2. F. K. Daruwalla S/o K. D. Daruwalla 4B – Jeevan Asha 60 Pedder Road Mumbai 400 026 Insurance Consultant and Reinsurance Broker	Sd/-	Sd/-
3. Fali A. Poncha S/o Ardeshir Poncha C/7 Ness Baug, Nana Chowk Mumbai 400 007 Insurance Consultant & Reinsurance Broker	Sd/-	<b>Witness to all seven :</b> <b>Robert Pavrey</b> <b>S/o Michael Pavrey</b> <b>A/1 Rainbow View</b> <b>345 Vakola,</b> <b>Mumbai 400 055</b>
4. Harshadrai Parekh S/o Purushottam Parekh 601 Sapphire Arcade, M.G. Road Ghatkopar (East), Mumbai 400 077 Reinsurance Broker	Sd/-	<b>Company Secretary</b>
5. Manju Sawhney Mahindra W/o Ashok Mahindra 519 Maker Chambers V, Nariman Point, Mumbai 400 021 Insurance & Reinsurance Broker	Sd/-	
6. Vinod Sahgal S/o Lal Chand Sahgal 1008, 10 <sup>th</sup> floor, Mercantile House New Delhi 110001 Insurance Broker / Consultant	Sd/-	
7. Bharat J. Boda S/o Jagmohandas B. Boda Maker Bhavan No.1 Sir V. T. Marg, Mumbai 400 020 Business – Insurance & Reinsurance Broker	Sd/-	

**Place: Mumbai**  
**Date: 21 June 2001**