

## **Statement of Amendments**

### **AMENDMENTS IN CLAUSE 2: INTERPRETATION**

Clause 2(c): The definition for Financial Year has been moved from Clause 14 to Clause 2(c) for better clarity and ease of reference.

The following clauses were inserted after Clause 2(g)

Clause 2(h): Words importing persons includes corporation, Firms and Association.

Clause 2(i): Words importing singular number include the plural and vice-versa.

Clause 2(j): Words importing masculine gender include the feminine gender and vice-versa.

### **AMENDMENTS IN CLAUSE 3: CLASS OF MEMBERS AND LIMIT ON MEMBERS**

#### **Existing Clause 3**

The number of Members with which the company proposes to be Registered is 1500.

#### **Existing Clause 4(a)**

There shall be two classes of Members viz., Club Members and Stand Members. The number of Club members shall be limited to 500 including the existing strength of Club Members which is 250. 75 Club Members shall be elected in the year 1971, 75 in the year 1972 and 100 in the year 1973. The number of Stand Members shall be limited to 1000 including the existing strength of Stand Members which is 200. 150 Stand Members shall be elected in 1971 i.e. 75 to fill in vacancies caused by the election of 75 Stand Members as Club Members and 75 new Stand Members. 150 in the year 1972 i.e., 75 to fill in the vacancies caused by the election of 75 Stand Members as Club Members

#### **Proposed Clause 3**

The Classes of members and the maximum number of members to be admitted in each class at any point of time shall be not more than:

- (a) Club Members: 500 Members
- (b) Stand Members: 750 Members
- (c) Honorary Members: 10 Members

### **AMENDMENTS IN CLAUSE 4: PATRONS AND HONORARY MEMBERS**

**Background:** Existing Clause 4(b and C), 10 and 20 were merged and amended to form Proposed New Clause 4

#### **Existing Clause 4(b) [Classes of Members and Limit of Members]**

The Board shall have powers to appoint patrons and Honorary Members from time to time.

The existing Club and Stand Members and Honorary Members of the Club known as HYDERABAD RACE CLUB, shall be the first Club Members, Stand Members and Honorary Members respectively of this Club on the date of the incorporation of the Club in addition to the signatories of the Memorandum of Association. His Excellency, the Governor of Andhra Pradesh and His Exalted Highness, the Nizam shall be the Patrons of the Club.

#### **Existing Clause 10 [Honorary Members]**

The Board may, in its absolute discretion, invite any person to become an Honorary member without Entrance Fee or Subscription

#### **Existing Clause 20 [Patrons]**

One or more persons may be appointed by the Board as Patrons of the Club who shall not exercise any powers in the management of the Club. Patrons will pay no subscription and will be entitled to all the privileges of the Club Members. Patrons shall not be entitled to vote in any meeting nor shall be eligible for election to the Board.

#### **Proposed Clause 4**

- (a) The Board of Directors/Stewards may, in its absolute discretion, may honor persons of distinction to be Patrons for the Club.
- (b) The Board of Directors/Stewards may, in its absolute discretion, will be entitled to invite persons of distinction to be become an Honorary Member for up to 4 years.
- (c) The patrons and Honorary Members are entitled to all the rights and privileges to use facilities of the Club, but shall not be entitled to
  - exercise any powers in the management and operations of the Club.
  - exempted from payment of admission and subscription fee.

#### **AMENDMENTS IN CLAUSE 5: APPLICATION FOR MEMBERSHIP**

**Existing Clause Title:** Admissions of Members

**Proposed Clause Title:** Application for Membership

#### **AMENDMENTS IN CLAUSE 9: SUBSCRIPTION FEES**

#### **Existing Clause 11: (Payment of Subscription)**

A newly elected Member shall not exercise any of the privileges of Membership until he has paid the full subscription for the current year and the Entrance Fee as provided in article 12. If the subscription be not paid within two months from the date of election, the election shall be void.

**Existing Clause 13: (Annual Subscription)**

The annual subscription for all the Members shall be Rs.1,000/- plus applicable taxes.

**Proposed Clause 9: Annual Subscription**

- (a) The annual subscription for all the Members shall be Rs.1,000/- plus applicable taxes.
- (b) A newly elected Member shall not exercise any of the privileges of Membership until he/she has paid the full subscription for the current year and the Entrance Fee as provided in article 12. If the subscription be not paid within two months from the date of election, the election shall be void.

**AMENDMENTS IN CLAUSE 10: DUE DATE FOR PAYMENT OF ANNUAL SUBSCRIPTION****Existing Clause: Date of Payment of Annual Subscription**

The annual subscription becomes due on the 1st day of April each year. The chief operating officer may issue a notice to each club member and stand member by post if the annual subscription is not paid on the due date.

**Proposed Clause: Due date for Payment of Annual Subscription**

The annual subscription becomes due on the 1st day of April each year and the due date for payment of Annual Subscription fees is 30<sup>th</sup> day of April.

**AMENDMENTS IN CLAUSE 11: DEFAULT IN PAYMENT OF ANNUAL SUBSCRIPTION****Existing Clause:**

Default in Payment of Annual Subscription if any Member fails to pay his subscriptions before 30<sup>th</sup> day of April of any year, the Chief Operating Officer shall call his attention to that fact by registered letter and if the subscription be not paid within 30 days of receipt of such letter, the defaulter shall forfeit all the rights, privileges, advantages and conveniences to which he is entitled as a Member of the Club and the name of such Member shall be posted on the Notice Board of the Club immediately after the expiration of the 30 days. Upon so doing, all the rights, privileges, advantages and conveniences of such member shall cease forthwith.

PROVIDED that if, at any time within six months from the 30<sup>th</sup> day of April, hereinabove referred to the defaulting Member gives an explanation to the Board regarding the nonpayment of the annual subscription and if the Board is satisfied with the explanation offered by the defaulting Member, upon payment of the entire subscription in arrear, all the rights, privileges, advantages and conveniences forfeited by such defaulting Member may be restored;

PROVIDED further, that if the Board is not satisfied with the explanation offered by the defaulting Member OR if the six months from the 30<sup>th</sup> day of April has elapsed without any explanation being offered to the Board by the defaulting Member regarding non-payment of his annual subscription, his membership shall cease from the date his explanation has been rejected by the Board or immediately after 6 months from 30<sup>th</sup> day of April, as the case may be, and his name shall be forthwith removed from the Register of Members.

Service shall be deemed to be sufficient if the provisions of Article 60 are complied with and a copy of the Notice is also affixed on the Notice Board of Hyderabad Race Club.

This amended Article shall be deemed to have been in force with effect from 15/4/1971.

**Proposed Clause:**

If any Member fails to pay his subscriptions before the due date, the Chief Operating Officer shall call his attention to that fact by registered letter/e-mail and if the subscription be not paid within 30 days of receipt of such letter/e-mail, the defaulter shall forfeit all the rights, privileges advantages and conveniences to which he/she is entitled as a Member of the Club and the name of such Member shall be posted on the Notice Board of the Club immediately after the expiration of the 30 days. Upon so doing, all the rights, privileges, advantages and conveniences of such member shall cease forthwith;

PROVIDED that if, at any time within six months from the 30th day of April, hereinabove referred to the defaulting Member gives an explanation to the Board regarding the nonpayment of the annual subscription and if the Board is satisfied with the explanation offered by the defaulting Member, upon payment of the entire subscription in arrear, all the rights, privileges, advantages and conveniences forfeited by such defaulting Member may be restored;

PROVIDED further, that if the Board is not satisfied with the explanation offered by the defaulting Member OR if the six months from the 30th day of April has elapsed without any explanation being offered to the Board by the defaulting Member regarding non-payment of his annual subscription, his membership shall cease from the date his explanation has been rejected by the Board or immediately after 6 months from 30th day of April, as the case may be, and his name shall be forthwith removed from the Register of Members.

Service shall be deemed to be sufficient if the provisions of Article 55 are complied with and a copy of the Notice is also affixed on the Notice Board of Hyderabad Race Club.

**AMENDMENTS IN CLAUSE 13: FORFEITURE OF MEMBERSHIP RIGHTS**

**Existing Clause:**

If a Member of the Club:

- a) is declared insolvent or is of unsound mind, or
- b) is a subject of a Country at War with India, or
- c) is found guilty by a competent Court of a Criminal offence involving gross misconduct or moral turpitude and the conviction for such offence has become final, or
- d) is found guilty of a fraudulent practice or involved in gross misconduct or moral turpitude by the Board or any Turf Authority in India or by any Turf Authority outside India with which the Turf Authorities in India are in reciprocal arrangement, or  
In case of any of the above, the name of such member shall be removed from the Register of Members after giving the person opportunity to represent his case within a stipulated period of one month.
- e) Whose name appears in the published unpaid forfeit list as a defaulter for all dues and unpaid entrance money, forfeits, stakes, subscriptions, fines, fees, purchase money in races, with selling

conditions, all sums of money that may remain unpaid in respect of young stock purchased by any member with financial assistance given by the Club, and such other sums of money as may be due to the Club by the Member, and on being called on to pay fails to do within one month, he shall forfeit all the rights, privileges, advantages and conveniences to which he is entitled as a member of the Club and his name shall be posted on the Notice Board of the Club. Upon so doing, his membership shall cease and his name be removed from the Register of Members.

- f) does not pay any amount due to the Club towards cup / trophy / prize money within one month after such an event for which the sponsorship is made or within one month from the date of communication sent to him in any form to pay such dues whichever is later then the name of such member shall be removed from Register of Members.

**Proposed Clause:**

The membership rights of a Member shall be forfeited if such member:

- a) is declared insolvent or is of unsound mind, or
- b) is a subject of a Country at war with India, or
- c) is found guilty by a competent Court of a Criminal offence involving gross misconduct or moral turpitude and the conviction for such offence has become final, or
- d) is found guilty of a fraudulent practice **or involved in gross misconduct or moral turpitude** by the Board or any Turf Authority in India or by any Turf Authority outside India with which the Turf Authorities in India are in reciprocal arrangement, or  
In case of any of the above, the name of such member shall be removed from the Register of Members after giving the person opportunity to represent his case within a stipulated period of one month.
- e) Whose name appears in the published unpaid forfeit list as a defaulter for all dues and unpaid entrance money, forfeits, stakes, subscriptions, fines, fees, purchase money in races, with selling conditions, all sums of money that may remain unpaid in respect of young stock purchased by any member with financial assistance given by the Club, and such other sums of money as may be due to the Club by the Member, and on being called on to pay fails to do within one month, he shall forfeit all the rights, privileges, advantages and conveniences to which he is entitled as a Member of the Club and his name shall be posted on the Notice Board of the Club. Upon so doing, his membership shall cease and his name be removed from the Register of Members.
- f) Acted against the interests of the club or failed to abide by the clauses of this Articles of Association.
- g) does not pay any amount due to the Club towards cup / trophy / prize money within one month after such an event for which the sponsorship is made or within one month from the date of communication sent to him in any
- h) form to pay such dues whichever is later then the name of such member shall be removed from Register of Members.

**AMENDMENTS IN CLAUSE 14: EXPULSION OF MEMBERS**

**Existing Clause Title:** Misconduct

**Proposed Clause Title:** Expulsion of Members

## **AMENDMENTS IN CLAUSE 18: MEMBERS OF THE BOARD**

### **Existing Clause:**

The Board shall consist of 12 Stewards of whom 8 shall be elected from among the Club Members and 3 shall be nominated by the Government of Telangana and one shall be the General Officer Commanding, Telangana and Andhra Sub-Area who will be acting as Independent Director. Elected Members shall hold office only if, and so long as, they are Club Members.

### **Proposed Clause:**

The Board shall consist of 12 Stewards of whom:

- a) One shall be the Chairperson elected directly from among the Club Members.
- b) Eight members shall be elected from among the Club Members.
- c) Three persons shall be nominated by the Government of Telangana from time to time. Elected Members shall hold office only if, and so long as, they are Club Members.

## **AMENDMENTS IN CLAUSE 22: ELECTION OF BOARD OF STEWARDS**

The following clauses were added in the exiting clause.

Clause 22(b)(iii): An amount of ₹ 1,00,000/- as Deposit. However, this requirement is not applicable to retiring stewards seeking re-election or a candidate acted as stewards previously.

Clause 22(k): In case any candidate who has deposited ₹ 1,00,000/- fails to secure at least 25% or more of the total votes cast, the deposit shall stand forfeited.

## **AMENDMENTS IN CLAUSE 25: POWERS OF THE BOARD**

The following clause was inserted as Clause 25(l)

To regulate all matters connected with financial transactions, subscriptions, including the appointment of Bookmakers, the settlement of all online and offline transaction disputes, the establishment and the regulation of totalizators and sweepstakes, and to decide all questions connected therewith.

## **AMENDMENTS IN CLAUSE 26: CHAIRPERSON**

### **Existing Clause:**

At the first meeting of the Board of Stewards after every Annual General Meeting, a Chairman shall be elected from among the Stewards. The Chairman so elected shall, if present, preside at every meeting of the Board, and if he be absent, the Board shall be elect from among the Stewards present, a Chairman for that Board Meeting.

### **Proposed Clause:**

- a) The Chairperson of the Company shall be appointed by among club members through direct election at the Annual General Meeting of the Company.
- b) The Chairperson of Company shall preside as Chairperson of every Board Meeting and General Meetings of the Club.

- c) The term of the Chairperson shall be up to the second Annual General Meeting held after his appointment or two years whichever is earlier.
- d) A person can only contest for the position if the following conditions are met on or before the date of his nomination:
  - He is Club member for a minimum period of 15 Years.
  - He has acted as Steward for a minimum of 2 terms as per Article 20.
  - He is not disqualified under the Companies Act, 2013 to act as Director.
- e) The process of election of Chairperson shall be the as per Article 22 of this Articles of Association.
- f) In case of any Casual Vacancy of Chairperson, the board of stewards in the first meeting after the Casual Vacancy, shall elect one among themselves as Chairperson who shall hold office till the conclusion of the ensuing General Meeting after the occurrence of Casual Vacancy.

**AMENDMENTS IN CLAUSE 28: BOARD OF DIRECTORS/STEWARDS SHALL NOT WAGER**

**Existing Clause:**

No person who is elected or nominated as a Steward on the Board shall bet.

**Proposed Clause:**

No person who is elected or nominated as a Steward on the Board shall wager.

**AMENDMENTS IN CLAUSE 31 AND 32:**

**Existing Clause 34: Annual General Meeting**

- a) Subject to the provisions of the Companies Act, 2013 the board shall call for an Annual General Meeting of the Club not later than the end of September in each year to consider the audited accounts of the Club for the previous year, to consider the report of the Board on the progress of the Club during the previous year and to elect the stewards on the board in the place of those retiring. Such meeting shall be held **during business / office hours** as decided by the Board subject to the provisions of the Act on the date fixed for the meeting.
- b) The Board may, whenever it thinks fit, call an Extra ordinary General Meeting of the Club to consider any matters of urgent importance.

**Existing Clause 32: Extraordinary General Meeting**

In addition to the above mentioned meetings, the Board may, at any time, if it is considered necessary and shall upon the requisition made in writing by not less than 1/10th of the total number of Club Members stating the object of the meeting proposed to be called, convene an Extraordinary General Meeting

**Proposed Clause 32:**

The Board may, whenever it thinks fit, call an Extra ordinary General Meeting of the Club to consider any matters of urgent importance.

In addition to the above, the Board may, at any time, if it is considered necessary and shall upon the requisition made in writing by not less than 1/10th of the total number of Club Members stating the object of the meeting proposed to be called, convene an Extraordinary General Meeting

## **AMENDMENTS IN CLAUSE 50: APPOINTMENT OF AUDITORS**

### **Existing Clause 55: Appointment of Auditors**

At the Annual General Meeting of the Club, one or more qualified Auditors shall be appointed for the year and the remuneration, if any of such auditor or auditors shall be fixed by the Meeting and paid out of the moneys applicable to the general purposes of the Club. Any casual vacancy shall be filled up by the Board. The auditor or auditors shall hold office from the conclusion of the General Meeting until the conclusion of the next Annual General Meeting. The retiring auditors shall be eligible for reappointment.

### **Existing Clause 56: Who may be Auditors.**

An Auditor, other than retiring auditor, may only be appointed by a resolution of which special notice has been given and after otherwise observing the procedure laid down in Section 140 of the Companies Act, 2013.

### **Proposed Clause 50: Appointment of Auditors**

At the Annual General Meeting of the Club one or more qualified Auditors shall be appointed for the period specified in Section 139 of the Companies Act, 2013 and the remuneration, if any of such auditor or auditors shall be fixed by the Board of Directors/Stewards and paid out of the moneys applicable to the general purposes of the Club. Any casual vacancy shall be filled up by the Board of Directors/Stewards but during the subsistence of casual vacancy, the remaining auditor or auditors shall continue.

## **NEW CLAUSES INSERTED:**

### **CLAUSE 19: DUTIES OF DIRECTOR AND CONFLICT OF INTEREST**

- a) The directors of the Company shall act in accordance with the articles of the company.
- b) A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the members.
- c) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- d) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- e) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, related parties, partners, or associates.
- f) A director of a company shall not assign his office and any assignment so made shall be void.

Related Party mean Related Party as per Section 2(76) and Relative means Relative as per Section 2(77) of the Companies Act, 2013.



### **CLAUSE 53: TO KEEP ACCOUNTS**

“The board of directors/stewards shall keep a proper account of the income and disbursements of the Club from all sources, a minute book of their proceedings, a record of all referred and disputed cases which they decide, and such other books as may be necessary to show the position of the Club with reference to its property and the number of its members”.

### **CLAUSE 54: FUNDS DEPOSITED AND CHEQUES DRAWN ETC**

“The funds of the club shall be deposited in a bank to be appointed by the Board of Directors/Stewards. All cheques and other negotiable instruments shall be drawn signed and endorsed by the Secretary or some other person who shall be notified to the Bank by the Committee of Management as being empowered so to do for the time being”.

### **CLAUSE 60: DAMAGE TO CLUB PROPERTY**

Members are responsible for and liable to pay the cost of any damage to any property belonging to the Club while in their use or custody or any damage caused by them to the Club's property. Members shall make the loss good to the club for any such damage. In the event of there being any doubt or dispute as to who is responsible for any such instance, the decision of the Board of Directors/Stewards on the point shall be final and binding.

### **CLAUSE 61: DAMAGE/LOSS TO PERSON/PROPERTY**

The Club is not liable for any loss, damage or injury sustained whatsoever or howsoever caused, suffered or sustained by any person, adult or minor, within or on the premises over which it has control or with which it has in any way connected.

### **Clause 62: TIPPING**

Tipping of Club employee is prohibited. Members wishing to show their appreciation of services rendered, may place their donations in the staff gratuity box.

### **OTHER AMENDMENTS:**

1. The Word *Directors* has been added to the phrase of Board of Stewards wherever required to make it Board of Stewards/ Directors.
2. The word Andhra Pradesh has been substituted with Telangana pursuant to the division of the states wherever required.
3. The word Chairman has been substituted with Chairperson wherever required.
4. Considering the Merger of a few clauses the Article Numbers allotted to respective articles have been renumbered.