

MEMBERSHIP CRITERIA
FOR
EUROPEAN BUSINESS GROUP

A. Membership

The types of members and the eligibility criteria for admission to membership shall be as follows-

1. **Ordinary member** - Any person who satisfies any of the following conditions shall be eligible for being appointed as “ordinary member” of EBG:

- (a) A company having operations in any of the European Union (“EU”) Member States or in the European Economic Area (“EEA”) countries (Norway, Switzerland, Iceland & Liechtenstein) or from a country in current accession negotiations with a permanent establishment in India (including in the form of subsidiary, joint venture with a controlling stake, liaison office, branch office project office, or such presence as the Trustees or national Council may deem appropriate);
- (b) An Indian company in which a European partner (from any of the EU Member States or in the EEA countries or a country in accession negotiations) is holding substantial interest as a strategic shareholder; or
- (c) A company which is promoted by an individual or a group of individuals having nationality of any of the EU Member states.

For the purpose of the above paragraph:

- (i) “European partner” shall mean an establishment having its head office in an EU or EEA Member State, or a country currently in accession negotiations with the EU.
- (ii) a European partner shall be deemed to have a substantial interest in the Indian company, if it is the beneficial holder of shares carrying not less than 10 percent of the voting power

2. **Associate member** - Any person who satisfies any of the following conditions shall be eligible for being appointed as “associate member” of EBG:

- (a) Any Indian company having substantial business relationship with companies in the EU Member States; or
- (b) Any individual who has excelled in the field of business, academia or culture or literary related to the EU Member States or who has a special relationship with EU Member States.

For the purpose of the above paragraph, “substantial business relationship” means providing essential services to European Companies or being a major shareholder (min. 26% in a JV with a European Partner)

3. **Honorary member** – Following persons may be nominated as “honorary member” by the National Council:

- (a) Heads of mission and ambassadors of EU Member States and EFTA Countries in India; or
- (b) Commercial counselors of EU Member States and EFTA missions in India.
- (c) Academicians & think tanks with a European link.
- (d) Politicians & bureaucrats.
- (e) Individuals contributing to EU India relations.

The flexibility of being an honorary member to be reviewed bi-annually or annually. Honorary membership will be at the discretion of the Council.

4. Life membership- Following persons may be nominated as “ Life member” by the National Council

- (a) Individuals who have provided outstanding contributions to EBG

B. Appointment of members

Any person who is eligible for becoming an ordinary member or associate member as per the provisions of Article A above shall, on making an application to the National Council in such format as may be prescribed, be allowed to join as member of EBG including its sector committees from such date as may be considered appropriate, at the sole discretion of the National Council. The National Council shall have an absolute right to refuse membership, at its discretion and without assigning any reasons, to any person which it perceives as not suitable for membership of the EBG.

C. Rights of members

- (a) To nominate representatives – Members immediately after their appointment shall have the right to nominate representatives to EBG subject to the following conditions:
 - (i) Ordinary members satisfying the conditions provided under Article A (1)(a) or Article A(1)(b) above shall be eligible to nominate up to 5 representative;
 - (ii) Ordinary members satisfying the conditions provided under Article A (1)(c) above shall be eligible to nominate up to 1 representative;

- (iii) Associate members satisfying the conditions provided under Article A (2)(a) above shall be eligible to nominate up to 3 representatives
 - (iv) Associate members satisfying the conditions provided under Article A (2)(b) above shall not be eligible to nominate representative;
 - (v) Though Associate members satisfying the conditions provided under Article A (2)(a) or Article (2)(b) cannot be elected to the Council, Selected Associate members can join the Council but they will not have voting rights
- (b) To become member of the National Council – National Council can co-opt up to 9 ordinary members, 2 Associate members and 1 Honorary member at its own discretion.

D. Membership Fee

The membership fee to be decided by the National Council at the beginning of every financial year.

E. Termination of members

The National Council may, at any time, terminate the membership of any member if it considers that the continuation of such member is prejudicial to the interests of EBG in any manner.