

U.P. State Industrial Development Corporation Limited (Transfer of Assets and Liabilities) Act, 2018

UTTAR PRADESH

India

U.P. State Industrial Development Corporation Limited (Transfer of Assets and Liabilities) Act, 2018

Act 34 of 2018

- Published on 10 September 2018
- Commenced on 10 September 2018
- [This is the version of this document from 10 September 2018.]
- [Note: The original publication document is not available and this content could not be verified.]

U.P. State Industrial Development Corporation Limited (Transfer of Assets and Liabilities) Act, 2018(U.P. Act 34 of 2018)Statement of Objects and Reasons. - With a view to making integrated development plan and enforcing rules relating to fixing of the standards of land development, population, construction of buildings, to ensure development of Industrial areas of the State and effective control thereon it has been decided to make a law to provide for the transfer of properties, powers, function, liabilities, assets, duties and personnel of the Uttar Pradesh State Industrial Development Corporation Limited which is a wholly State Government owned company, registered under the Companies Act. 1956, to the Uttar Pradesh State Industrial Development Authority constituted under Section 3 of the Uttar Pradesh Industrial Area Development Act, 1976.Since the State Legislature was not in session and immediate Legislative action was necessary to implement the aforesaid decision. The Uttar Pradesh State Industrial Development Corporation Limited (Transfer of assets and liabilities) Ordinance, 2018 (U.P. Ordinance 8 of 2018) was promulgated by the Governor on June 27,2018. This Bill is introduced to replace the aforesaid Ordinance.Received the assent of the Governor on September 7, 2018 and Published in the U.P. Gazette, Extraordinary Part I, Section (Ka), dated 10th September, 2018, pp.5-7.An Act to provide for the transfer of properties, powers, functions, liabilities, assets, duties and personnel of the Uttar Pradesh State Industrial Development Corporation Limited which is a wholly State Government owned Company registered under the Companies Act, 1956 to the Uttar Pradesh State Industrial Development Authority constituted under Section 3 of the Uttar Pradesh Industrial Area Development Act, 1976 and the matters connected therewith or incidental thereto.It is hereby enacted in the Sixty ninth Year of the Republic of India at follows:-

1. Short title, extent and commencement.

(1) This Act may be called the Uttar Pradesh State Industrial Development Corporation Limited (Transfer of Assets and Liabilities) Act, 2018. (2) It shall extend to the whole of Uttar Pradesh. (3) It shall be deemed to have come into force on June 27, 2018.

2. Definition.

- In this Act, unless the context otherwise requires, - (i) "appointed date" means the date of commencement of this Act; (ii) "Authority" means the Uttar Pradesh State Industrial Development Authority constituted by the State Government; (iii) "Corporation" means the Uttar Pradesh Industrial Development Corporation Limited which is a wholly State Government owned Company registered under the Companies Act, 1956; (iv) "Government notification" means Notification No. 141/77-4-2001-267 Bha/97 TC-1, dated September 5, 2001, issued under the provisions of the Uttar Pradesh State Industrial Area Development Act, 1976 by the State Government to constitute the Uttar Pradesh State Industrial Development Authority; (v) "Schedule" means the Schedule to the Government notification.

3. Transfer of Assets and Liabilities of Corporation.

(1) On and from the appointed date, - (a) all properties and all interest, rights and properties including gross business, movable and immovable properties, all kinds of investment, lease, lease agreements, hire purchase contracts, all profits, security arrangements, powers, allotments, restorations, transfer, transfer documents grants, consents, covenant, registration, contracts, license rights, ownerships, profits of any kind which is relieved in favour of the Corporation wherever situated, and vests in favour of the Corporation in the form of ownership, taxes, rights, control and otherwise of the Corporation, utilisation of surcharges etc. by the Corporation whether entered in the books of Corporation or not, but not confining to the above commercial names, any kind of academic properties, sanctions, adherences, right to use electricity and other general utilities, telephones, faxes, cars and motor vehicles, internet schemes and right to use on settlement, profit of covenant of all kind and other interests which are collectively called as the property of the Corporation shall be deemed to be transferred to, and vested in the Authority under the present status of complete ownerships, mortgages, pledges, hypothecation, etc.; (b) all debts, liabilities of Corporation including liabilities and obligations relating to Industrial Development Area, which collectively will be called as the liabilities of the Corporation whether entered in the books of the Corporation or not, properties, funds and excesses shall be deemed to be transferred to, and vested in the Authority without any other document, consequent upon which, they shall become debts, liabilities, duties, obligations, properties and excesses of the Authority. If necessary, the Corporation shall obtain the consent of the debtors concerned for the transfer of such liabilities and Authority shall, after transfer of such properties and liabilities also undertake the works of schemes of infrastructure development and industrial promotions undertaken by the Corporation, all plans of the Government of India and State Government which the Corporation is conducting and other development works assigned by the State Government and shall undertake the functions, responsibilities, liabilities vested in it under the provisions of Uttar Pradesh State Industrial Area Development Act, 1976. (2) Consequent

upon the transfer of all properties and liabilities of the Corporation, the Corporation shall remain as a shell company, the liabilities of which shall become the share capital made available by the Government and the profit earned by the Corporation as an accumulated fund and this shall be paid to the Authority as the interest free loan till the winding up of the Corporation. This amount shall be made available to the Authority by the State Government as the "Seed Capital" or "Rolling Fund" and the amount of Accumulated Fund shall be made available by it to the Authority as the capital reserve, the transfer of which shall be made by a Government Order only.(3)All payments to be made to the State Government by the Corporation shall be continued to be made by the Authority and timely payment of all the interest/principal amounts payable on the Government loans/guarantees shall be ensured by the Authority,(4)With respect to the Industrial Development Areas of the Authority mentioned in the Schedule all cases, proceedings, or writs pending or filed by or against the Corporation shall be deemed to be pending in favour of, or filed by or against, the Authority;(5)The consideration of the Corporation on account of the transfer of its properties and liabilities shall be determined on the basis of the value mentioned in the account books of the Corporation on the appointed date by the Chartered Accountant.

4. Transfer of employees.

(1)On and from the appointed date, all the employees of the Corporation shall become employees of the Authority with out any break in service period and the condition of service of such employees shall not in any case be less favourable than the conditions of service in the Corporation applicable on the appointed date. The posts and the nomenclature of the employees of Authority for the posts and nomenclature of the employees of Corporation shall be determined by the Authority with in the prior approval of the State Government.(2)It is hereby expressly provided with respect to the Provident Fund, Gratuity, Leave Encasement, etc. created for the benefit of the employees of the Corporation mat for all objectives and works, the Authority shall replace the Corporation from the appointed date, so that the operations and management of such schemes and funds, the liabilities of subscriber under the provisions of the trust deed shall be discharged property. Lastly, it is construed that all the rights, duties, powers and liabilities with respect to these funds, etc. shall vest in the Authority. It is hereby clarified that the services of all the employees of the Corporation shall be deemed to be continued uninterruptedly under the rules of above funds, schemes, etc.

5. Exemption of stamp duty.

- Payment of stamp duty shall be exempted for transferring the assets and liabilities of the Uttar Pradesh State industrial Development Corporation to the Uttar Pradesh State Industrial Development Authority.

6. Power to make rule.

- The State Government may, by notification, make rules for carrying out the purposes of this Act.

7. Power to remove difficulties.

(1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may by a notified Order, make such provision, not inconsistent with the provisions of this Act as appear to be necessary or expedient for removing the difficulty. (2) No Order under sub-section (1) shall be made after the expiration of a period of two years from the appointed date. (3) Every order made under sub-section (1) shall be laid, as soon as may be, after it is made, before each House of the State Legislature.

8. Repeal and saving.

(1) The Uttar Pradesh State Industrial Development Corporation Limited (Transfer of Assets and Liabilities) Ordinance, 2018 (U.P. Ordinance 8 of 2018) is hereby repealed. (2) Notwithstanding such repeal, anything done or any action taken under the Ordinance referred to in sub-section (1) shall be deemed to have been done or taken under this Act as if the provisions of this Act were in force at all material times.