

The Infusions (India) Limited (Acquisition of Shares) Act, 1985

WEST BENGAL

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Act 22 of 1985

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The Infusions (India) Limited (Acquisition of Shares) Act, 1985 West Bengal Act 22 of 1985 [7th October, 1985.] Assent of the Governor first published in the Calcutta Gazette, Extraordinary, dated the 7th October, 1985. An Act to provide for the acquisition, in the public interest, of certain shares of the Infusions (India) Limited, and for matters connected therewith or incidental thereto. Whereas the Infusions (India) Limited are at present engaged in the manufacture of transfusion fluids which are vital to the needs of general public; And Whereas investment of a large amount is necessary for the maintenance and development of the production of the undertakings of the Company; And Whereas acquisition by the State Government of an effective control over the affairs of the Company is necessary to enable it to make the investment as aforesaid; And Whereas it is expedient in the public interest that certain shares of the Company should be acquired with a view to securing the objectives as aforesaid; It is hereby enacted as follows :-

Chapter I Preliminary

1. Short title and commencement.

(1) This Act may be called the Infusions (India) Limited (Acquisition of Shares) Act, 1985. (2) It shall be deemed to have come into force on the 8th day of July, 1985.

2. Definitions.

- In this Act, unless the context otherwise requires, - (a) "appointed day" means the date on which this Act comes into force; (b) "Commissioner" means the Commissioner of Payments appointed under section 7; (c) "Company" means the Infusions (India) Limited, being a company within the meaning of the Companies Act, 1956, and having its registered office at Drug Industrial Estate, Chowrasta,

Behala, Calcutta-700034;(d)"notification" means a notification published in the Official Gazette;(e)"share" means a share, whether equity or preference, in the capital of the Company, and includes a share pledged by any shareholder with any bank or other creditor, but does not include any share in the capital of the Company held by the West Bengal Pharmaceutical and Phytochemical Development Corporation;(f)"shareholder" means a person, who, immediately before the appointed day, was registered by the Company as the holder of any share, and includes his legal representative;(g)"specified date" means such date as the State Government may, for the purpose of any provision of this Act, by notification, specify;(h)words and expressions used herein and not defined but defined in the Companies Act, 1956, have the meanings, respectively, assigned to them in that Act.

Chapter II

Acquisition of the shares of the Company

3. Transfer and vesting of shares of the Company in the State Government.

(1)On the appointed day, all the shares of the Company shall, by virtue of this Act, stand transferred to, and vest in, the State Government.(2)The State Government shall be deemed, on and from the appointed day, to have been registered in the Register of members of the Company as the holder of each share which stands transferred to and vested in it by virtue of the provisions of sub-section (1).(3)All the shares of the Company which have vested in the State Government under sub-section (1) shall, by force of such vesting, be freed and discharged from any trust, obligation, mortgage, charge, lien and all other encumbrances affecting them, and any attachment, injunction, decree or order of any court, tribunal or other authority restricting the use of such shares in any manner shall be deemed to have been withdrawn.(4)For the removal of doubts, it is hereby declared that the provisions of sub-sections (1) and (2) shall not be deemed to affect-(a)any right of the Company subsisting, immediately before the appointed day, against any shareholder to recover from such shareholder any sum of money on the ground that the shareholder has not paid or credited to the Company the whole or any part of the value of the shares held by him, or on any other ground whatsoever; or(b)any right of the shareholder subsisting, immediately before the appointed day, against the Company to receive any dividend or other payment due from the Company.

4. Duty of persons in charge of management of the affairs of the Company to deliver all assets etc.

(1)On the vesting of the shares of the Company in the State Government under section 3, all persons in charge of management of the affairs of the Company immediately before such vesting shall be bound to deliver to the State Government or to such officer as may be authorised by the State Government in this behalf all assets, books of account, registers and other documents in their custody relating to the Company.(2)The State Government may take, or cause to be taken, all necessary steps for securing the possession of the assets, books of account, registers and other documents as aforesaid.

5. Management of the affairs of the Company.

- Subject to the direction and control of the State Government, the affairs of the Company shall, on the vesting of the shares of the Company in the State Government under section 3, be managed on behalf of the State Government by such person as may be appointed by the State Government in this behalf.

6. Payment of compensation.

(1) For the transfer to, and vesting in the State Government, under section 3, of the shares of the Company, there shall be given by the State Government to the shareholders, in cash, and in the manner specified in section 8, an amount calculated as the value of such shares as in force on the appointed day in accordance with the principle of determination of value of any asset under the Wealth-tax Act, 1957 and the rules made thereunder. (2) The amount referred to in sub-section (1) shall carry simple interest at the rate of four per cent, per annum for the period commencing on the appointed day and ending on the date on which payment of such amount is made by the State Government to the Commissioner.

7. Appointment of Commissioner of Payments.

(1) The State Government shall, for the purpose of disbursing the amounts payable to the share holders under section 6, by notification, appoint a Commissioner of Payments. (2) The State Government may appoint such other persons as it may think fit to assist the Commissioner and thereupon the Commissioner may authorise one or more or such persons also to exercise all or any of the powers exercisable by him under this Act and different persons may be authorised to exercise different powers. (3) Any person authorised by the Commissioner to exercise any of the powers exercisable by the Commissioner may exercise those powers in the same manner and with the same effect as if they have been conferred on that person directly by this Act and not by way of authorisation. (4) The salaries and allowances of the Commissioner and other persons appointed under this section shall be defrayed out of the Consolidated Fund of the State.

8. Payment by the State Government to the Commissioner.

(1) The State Government shall, within thirty days from the specified date, pay, in cash, to the Commissioner, for payment to the shareholders, - (a) an amount equal to the amount calculated under sub-section (1) of section 6, and (b) an amount equal to the amount determined under sub-section (2) of section 6. (2) A deposit account shall be opened by the State Government in favour of the Commissioner, in the Public Account of the State, and every amount paid under this Act to the Commissioner shall be deposited by him to the credit of the said deposit account and the said deposit account shall be operated by the Commissioner. (3) The interest accruing on the amount standing to the credit of the deposit account, referred to in sub-section (2), shall enure to the benefit of the shareholders.

9. Claims to be made to the Commissioner.

(1) Every shareholder, having a claim in relation to any share acquired by this Act, shall prefer such claim before the Commissioner within thirty days from the specified date :Provided that if the Commissioner is satisfied that the claimant was prevented by sufficient cause from preferring the claim within the period of thirty days, he may entertain the claim within a further period of thirty days and not thereafter.(2) Every shareholder of a preference share shall have a preferential claim with regard to the amount paid by the State Government to the Commissioner.

10. Examination of claims.

- On receipt of the claims made under section 9, the Commissioner shall separately arrange the claims in relation to preference shares and in relation to equity shares and examine the claims in relation to each such share.

11. Admission or rejection of claims.

(1) After examining the claims, the Commissioner shall fix a certain date on or before which every claimant shall file the proof of his claim or be excluded from the benefit of the disbursements made by the Commissioner.(2) Not less than fourteen days' notice of the date so fixed shall be given by advertisement in one issue of the daily newspaper in the English language and in one issue of such daily newspaper in the regional language as the Commissioner may consider suitable, and every such notice shall call upon the claimant to file the proof of his claim with the Commissioner within the time specified in the advertisement.(3) Every claimant, who fails to file the proof of his claim within the time specified by the Commissioner, shall be excluded from the disbursement made by the Commissioner.(4) The Commissioner shall, after such investigation as may, in his opinion, be necessary, and after giving the Company an opportunity of refuting the claim and after giving the claimant a reasonable opportunity of being heard, in writing, admit or reject the claim in whole or in part.(5) The Commissioner shall have the power to regulate his own procedure in all matters arising out of the discharge of his functions, including the place or places at which he will hold his sittings and shall, for the purpose of making an investigation under this Act, have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters, namely :-(a) the summoning and enforcing the attendance of any witness and examining him on oath;(b) the discovery and production of any document or other material object producible as evidence;(c) the reception of evidence on affidavits;(d) the issuing of any commission for the examination of witnesses.(6) A claimant, who is dissatisfied with the decision of the Commissioner, may prefer an appeal against the decision to the principal Civil Court of original jurisdiction within the local limits of whose jurisdiction the registered office of the Company is situated :Provided that where a person who is a Judge of a High Court is appointed to be the Commissioner, such appeal shall lie to the High Court at Calcutta, and such appeal shall be heard and disposed of by not less than two Judges of that High Court.

12. Disbursement of money by the Commissioner to claimants.

(1)After admitting a claim under this Act, the amount due in respect of each share acquired by virtue of this Act shall be paid by the Commissioner to the person or persons to whom such amount is due, and, on such payment, the liability of the State Government in respect of the share so acquired shall stand discharged.(2)The Commissioner shall also apportion amongst the shareholders the amount paid to him by way of interest under sub-section (3) of section 8, and such apportionment shall be made on the basis of the amount due to each shareholder.

13. Undisbursed or unclaimed amount to be deposited to the general revenue account.

- Any money paid to the Commissioner which remains undisbursed or unclaimed on the date immediately preceding the date on which the office of the Commissioner is finally wound up shall be transferred by the Commissioner to the general revenue account of the State Government; but a claim to any money so transferred may be preferred to the State Government by the person entitled to such payment and shall be dealt with as if such transfer had not been made, the order, if any, for payment of the claim being treated as an order for the refund of revenue.

14. Power of inspection.

- For the purposes of ascertaining whether any person claiming payment under this Act is a shareholder, the State Government shall have the right to-(a)require any person, having the possession, custody or control, of any register or record of the Company, to produce such register or record before the Commissioner;(b)require any person to make any statement or furnish any information which may be required by the Commissioner.

Chapter III

Miscellaneous

15. Act to have overriding effect.

- The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any law, other than this Act, or in any instrument having effect by virtue of any law, other than this Act.

16. Protection of action taken in good faith.

- No suit, prosecution or other legal proceeding shall lie against the State Government or any officer of that Government or any officer or other person authorised by that Government for anything which is in good faith done or intended to be done under this Act.

17. Power to make rules.

(1)The State Government may, by notification, make rules for carrying out the provisions of this Act.(2)Every rule made by the State Government under this Act shall be laid, as soon as may be after it is made, before the State Legislature, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, the State Legislature agrees in making any modification in the rule or the State Legislature agrees that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

18. Power to remove difficulties.

- If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order, not inconsistent with the provisions of this Act, remove the difficulty :Provided that no such order shall be made after the expiry of a period of two years from the appointed day.

19. Repeal and saving.

(1)The Infusions (India) Limited (Acquisition of Shares) Ordinance, 1985 is hereby repealed.(2)Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been validly done or taken under this Act.