

Uttar Pradesh Sugar Undertakings (Acquisition) Act, 1971

UTTAR PRADESH

India

Uttar Pradesh Sugar Undertakings (Acquisition) Act, 1971

Act 23 of 1971

- Published on 27 October 1984
- Commenced on 27 October 1984
- [This is the version of this document from 27 October 1984.]
- [Note: The original publication document is not available and this content could not be verified.]

Uttar Pradesh Sugar Undertakings (Acquisition) Act, 1971(U.P. Act No. 23 of 1971)Last Updated 26th December, 2019Statement of Objects and Reasons. - The owners of certain sugar mills of the State or their lessees had created serious problems for the cane-growers and labour which created an adverse impact on the general economy of the areas, where those mills were situate. The only solution of these problems was for the State Government to take immediate steps to acquire with a view to renovating those and rehabilitating mills or carry out improvement therein.2. Accordingly, a legislation was prepared to acquire such mills, which provided for acquisition of properties and assets pertaining to those mills and for payment of compensation for the same and for the replacement of the dues of cane-growers, labourers and of the Government out of the amount or compensation and for other connected and incidental matters.3. To prepare the mills for crushing before the next crushing season, the usual annual repairs (which are carried out during off season) had to be carried out well in time, and since the time, available was short, immediate action was called for. As both the Houses of the State Legislature were not in session, the Governor promulgated the Uttar Pradesh Sugar Undertakings (Acquisition) Ordinance. 1971. on July 3, 1971.4. The State Government have since decided that the dues of cane-growers and labourers should be given higher priority than the State Government's taxes and other unsecured dues.5. This Bill is being introduced to replace the aforesaid Ordinance with the above modifications."(As passed by the Uttar Pradesh Legislature)An Act to provide, in the interest of the general public for the acquisition and transfer of certain sugar undertakings, and for matters connected therewith or incidental theretoIt is hereby enacted in the Twenty-second Year of the Republic of India as follows:-

1. Short title.

- This Act may be called the Uttar Pradesh Sugar Undertakings (Acquisition) Act, 1971.

2. Definitions.

- In this Act, unless the context otherwise requires-Schedule I means July 3, 1971 and in relation to the undertakings specified in Schedule II means October 28. 1984] and in relation to the undertakings specified in Schedule III means April 24, 1989](b)"collector" includes any officer authorised by him to perform the functions of the Collector under this Act;(c)"Corporation" means the Uttar Pradesh State Sugar Corporation Limited, a Government Company within the meaning of Section 617 of the Companies Act, 1956 (Act 1 of 1956);(d)"occupier" in relation to a schedule undertaking, means the person who immediately before the appointed day had the ultimate control over the affairs of the undertaking;(e)"person interested" in relation to a schedule undertaking acquired under this Act, means all persons claiming an interest in compensation to be made on account of the acquisition of that undertaking and includes a lessee of such undertaking;(f)"prescribed" means prescribed by rules made under this Act;(g)"prescribed authority" means the prescribed authority appointed under Section 10;(h)"Scheduled undertaking" means an undertaking engaged in the manufacture or production of sugar by means of vacuum pans and with the aid of mechanical power in factory specified 2[in any of the schedules to this Act] and comprises-(i)all plant, machinery and other equipment (Including milling plant, bolling house equipment other sugar machinery, cane unloading equipment and power plant). weigh bridges, cranes, chimneys' turbines and boilers (including the foundations, superstructure and roofing thereof) pertaining to that factory;(ii)any engineering workshop, including machinery and equipment thereof;(iii)any chemical laboratory including any apparatus and equipment thereof;(iv)any motor or other vehicle or locomotive, or railway sidings pertaining to that factory;(v)and dispensary or hospital) or community or welfare centre exclusively for the benefit of workmen and other persons employed in that factory;(vi)all lands (other than lands held or occupied for purposes of cultivation and grovelands) and buildings held or occupied for purposes of that factory (including buildings pertaining to any of the properties and assets hereinbefore specified, and guest houses and residences of directors, managerial personnel, staff and workmen or of any other person as lessee or licensee, and any store houses, molasses, tanks, roads, bridges, drains, culverts, tube-wells, water storage or distribution system and other civil engineering works) including any leasehold interest therein;(vii)all limestone quarries pertaining to that factory, including any mining lease relating thereto;(viii)all electrical installations including any plant or equipment for the generation or transmission of energy, telephone equipment, furniture and fixtures pertaining to that factory or to any property or asset hereinbefore specified;(ix)all tools, spare and stores pertaining to that factory;(x)all fire arms for the use of watch and ward staff employed in that factory;(xi)all maps,plans, sections, drawing and designs pertaining to that factory;(xii)all sugarcane, sugar in the process of manufacture for production and stocks of sugar and molasses and all bagasse and pressmud;(xiii)all books of account, registers and other documents pertaining to the factory or to any property or asset hereinbefore specified, but does not include cash in-hand, cash at bank, advances towards any income or other tax, investments and books, debts or rights, liabilities and obligations respecting any other contract;(i)"Tribunal" means the Tribunal constituted under section 12.

3. Vesting.

- On the appointed day, every schedule undertaking shall, by virtue of this Act, stand and be deemed to have stood transferred to and vest and be deemed to have vested in the Corporation free from any debt, mortgage, charge or other encumbrance or lien trust or similar obligation [excepting any lien or other obligation in respect of any advance on the security of any sugar stock or other stock-in-trade] attaching to the undertaking: Provided that any such debt, mortgage, charge or other encumbrance or lien, trust or similar obligation shall attach to the compensation referred to in Section 7, in accordance with the provisions of that section, in substitution for the undertaking: Provided further that a debt, mortgage, charge or other encumbrance or lien, trust or similar obligation created after the scheduled attached or a receiver appointed over it, in any proceedings for realisation of any tax or cess or other dues recoverable as arrears of revenue shall be void as against all claims for dues recoverable as arrears of revenue.

4. Certain consequences of vesting.

- Notwithstanding anything contained in any other law for the time being in force, and save as otherwise provided in this Act, on and from the appointed day-(a) every appointment of Receiver over any scheduled undertaking by any Court shall cease; (b) every lease or other arrangement where under any scheduled undertaking or the management thereof has been transferred to any person shall cease to have effect; (c) every attachment injunction or any other order of a Court restricting or restraining the use of any scheduled undertaking or prescribed a scheme of management in respect thereof howsoever described, shall cease to have effect.

5. Duty to deliver possession.

(1) Where any scheduled undertaking has vested in the Corporation under Section 3, every person in whose possession or custody or under whose control any property or asset, book of account, register or other document comprised in that undertaking may be, shall forthwith deliver the same to the Collector. (2) The Collector shall prepare an inventory of all properties, assets, book of account, registers and documents taken possession of under this section, so far as practicable in the presence of the occupier or his authorised representative. (3) delivery of possession to the Collector under this section shall amount to delivery of possession to the Corporation. (4) Without prejudice to the provisions of the foregoing sub-sections any person referred to in sub-section (1) shall be liable to account to the Corporation for any such property or asset, book of account, register or document which he has failed to deliver to the Collector.

6. Duty to furnish particulars.

- The occupier of every scheduled undertaking shall, within sixty days from the appointed day or within such further time as the Corporation may allow in this behalf, furnish to the Corporation or to such officer as the Corporation may specify, complete particulars of all liabilities and obligations incurred on the security of the undertaking and subsisting on the appointed day and also of all

agreements and other instruments pertaining to the scheduled undertaking (including agreements, decree awards, standing orders and other instruments relating to leave, pension, gratuity, provident fund and other terms of service of any person employed in that undertaking), in force immediately before the appointed day, and the Corporation shall afford him all reasonable facilities for this purpose.

7. Determination and mode of payment of compensation.

(1)(a) Subject to the provisions of Cls. (b) and (c), the State Government shall pay as compensation for any sugar stocks comprised in a scheduled undertaking their value, which shall be calculated at the ex-factory market price prevailing immediately before the appointed day, minus basic excise duty and additional excise duty in lieu of sales-tax, leviable thereon. (b) Such sugar stocks shall be disposed of from time to time [if necessary, by arrangement with any bank which has made advances before the appointed day on the security thereon], and as and when the stocks are disposed of, so much of the said composition as relates to the quantity disposed of shall be paid in cash by deposit with the prescribed authority in accordance with the provisions of sub-section (6) and (9). (c) Out of the said compensation the amount of any advance or, as the case may be, proportionate amount of advance, made on the security of the quantity disposed of together with interest and any other charges relating thereto payable under the terms of the advance, and storage and other incidental charges relating thereto payable to the Corporation or to any other person, shall be paid first, and the balance shall be deposited as aforesaid with the prescribed authority and be paid to the person entitled thereto in accordance with the decision of that authority or of the Tribunal as the case may be, under sub-section (9) or sub-section (12) or under section 8, Section 8, Section 9 or Section 11. (2) The State Government shall pay as compensation for the acquisition of any stocks of molasses comprised in the scheduled undertaking their value, which shall be calculated at the price prevailing immediately before the appointment day, as fixed under the Uttar Pradesh Sheera Niyantran Adhiniyam, 1964 (U.P. Act XXIV of 1964), and the provision of Cls. (b) and (c) of sub-section (1) shall mutatis mutandis apply in relation to such compensation. (3) The State Government shall pay as compensation for the acquisition of any stocks of sugarcane comprised in the scheduled undertaking the actual cost of their purchase, as may be agreed upon between the State Government and the persons interested and failing such agreement, as may be determined by the prescribed authority. (4) The State Government shall pay as compensation for the acquisition of any sugar in the process of production or any bagasse or press-mud comprised in the scheduled undertaking its market value as may be agreed upon between the State Government and the persons interested and failing such agreement, as may be determined by the prescribed authority. (5) In addition to the compensation, if any, payable under sub-section (1), (2), (3) and (4) for the acquisition of the properties and assets referred to in those sub-sections, the State Government shall pay as compensation for the acquisition of every scheduled undertaking specified in Column 2 of 1 [and of the Schedules to this Act] an amount specified against it in Column 3 thereof, by depositing it with the prescribed authority in accordance with the provisions of sub-sections (6) and (9), and the same shall be paid to the persons entitled thereto in accordance with the decisions of that authority or of the Tribunal, as the case may be, under sub-section (9) or sub-section (12) or under section 8, section 9 or section 11. (6) The State Government shall provisionally deduct from the compensation referring to in sub-section (1), (2), (3), (4) and (5) the

following amounts, namely:-(a)any amount due on account of any debt, mortgage, charge or other encumbrance or lien, trust or similar obligation attached to the scheduled undertaking which by virtue of the provisions of Section 3 shall, on the appointed day, attach to the compensation in substitution for the undertaking;(b)any amount due to any cane-growers or any cane-grower's cooperative societies in respect of the price of sugarcane supplied by such cane-growers or by members of such society to the scheduled undertaking before the appointed day;(c)any amount of wages, relating allowance, bonus, provident fund or other payment due to person employed as workmen (within the meaning of the U.P. Industrial Disputes Act. 1917) in connection with the scheduled undertaking immediately before the appointed day;(d)any amount due in respect of either the employer's contribution or the employee's contribution realised by the employer or any other dues recoverable from the employer under the Employees Provident Fund Act, 1952 or the Employees' State Insurance Act. 1948, in respect of persons employed in connection with the scheduled undertaking immediately before the appointed day that the employer may have failed to pay in accordance with the respective Acts;(e)any amount, not being an amount referred to in Cl. (a), claimed by the State Government to be due immediately before the appointed day from any person interested in the scheduled undertaking on account of any loan, tax or cess, or any penalty or interest due in respect of such loan, tax or cess, and deposit the balance, if any, with the prescribed authority, and where such deductions are equal to or exceed the compensation, it shall inform the prescribed authority accordingly; Provided that the amount provisionally deducted under Cl. (a), in so far it is not claimed by the State Government as due to itself, be deposited with the prescribed authority for disbursement to the persons interested according to their respective titles. Explanation. - The amount referred to in Cls. (a), (b), (c) and (d) shall be provisionally deducted on the basis of information available with the State Government in respect thereof, and it shall be open to the State Government in respect thereof, and it shall be open to the State Government to obtain relevant information either from the Corporation or from the cane commissioner, the Labour Commissioner, the Employees' Provident Fund Commissioner or the Employees State Insurance Corporation, as the case may be.(7)The State Government shall file with the prescribed authority a statement giving particulars of the deduction referred to in sub-section (6).(8)The prescribed authority shall give notice of every deposit made with it under sub-section (6) and of every statement filed before it under sub-section (7) to all persons known or believed to be interested in the scheduled undertaking or to be entitled to act for persons interested.(9)If any person interested (including any secured creditor) makes any objection against the correctness of the amounts provisionally deducted under sub-section (6), such objection shall be decided by the prescribed authority and the prescribed authority may in accordance with its decision direct the State Government makes such deposit or further deposit as may be necessary or make such other order as it thinks fit.(10)The deposit referred to in sub-section (6), in so far as it relates to the compensation referred to in sub-section (5), shall be made not later than six months from the date on which possession of the properties and assets comprised in the scheduled undertaking has been delivered under section 5:(11)(a)Interest at the rate of five and three quarters per cent per annum shall be due from the State Government on the balance of the amount of compensation referred to in sub-section (5) less than amounts mentioned in Cls. (a), (b), (c), (d) and (e) of sub-section (6).(b)Such interest shall run from the date on which possession of the properties and assets comprised in the scheduled undertaking has been delivered under section 5 till the dates or respective date of deposits under sub-section (6) and sub-section (9), but any period referred to in the proviso to sub-section (10) shall be excluded.(12)If

any doubt or difference arises in respect of the period referred to in the proviso to sub-section (10) or about the amount of interest referred to in sub-section (11) the same shall be determined by the prescribed authority which may in accordance with its decision direct the State Government to make such deposit or further deposit as may be necessary.(13)Nothing in this section shall be construed-(a)to permit the State Government to claim any priority for its unsecured dues over any debt, mortgage, charge or other encumbrance, or lien, trust or similar obligation attached to the scheduled undertaking which by virtue of the provisions of Section 3 shall, on the appointed day attach to the compensation in substitution for the undertaking; or(b)to require the State Government to pay any amount in excess of the compensation provided by this section for satisfying any such debt, mortgage, charge or other encumbrance or lien, trust or other obligation.

8. Claims to be satisfied out of compensation.

(1)The Corporation may prefer to the prescribed authority any claim based on any loss sustained by the Corporation by reason of any property, asset, book of account, register or any other document comprised in the scheduled undertaking not having been delivered on accordance with the provisions of Section 5.(2)Any cane-grower or cane growers' cooperative society may prefer to the prescribed authority any claim in respect of price of sugarcane supplied by him or by its members, as the case may be, to the scheduled undertaking before the appointed day or interest thereon or the society's commission in respect of the sugarcane so supplied.(3)Without prejudice to the provisions of sub-section (2), the Corporation may send to the prescribed authority a certificate containing particulars of any outstanding dues referred to in that sub-section.(4)The Employees' Provident Fund Commissioner or the Employees State Insurance Corporation may send to the prescribed authority a certificate in respect of either the employees contribution or the employers' contribution realised by the Employer or any other dues recoverable from the employer under the Employee's State Insurance Act. 1948 (Act XIX of 1952), or the Employee's State Insurance Act. 1948 (Act XXXIV of 1948), as the case may be, in respect of any person who was employed in connection with the scheduled undertaking immediately before the appointed day, that the employer may have failed to pay in accordance with the respective Act.(5)Any person who has employed exclusively fir connection with the scheduled undertaking immediately before the appointed day, whether he does or does not become an employee of the Corporation under Section 16, or ceases to be in such employment, or any trade union of which such person was member may prefer to the prescribed authority any claim relating to any salary, wages, retaining allowance, leave salary, bonus, pension, provident fund, gratuity or other payment due to him, or the proportionate amount thereof, in respect of nay service rendered by him in connection with the undertaking before the said day.(6)Without prejudice to the provisions of sub-section (5), the Corporation may send to the prescribed authority a certificate containing particulars of any outstanding due referred to in that sub-section in so far as they relate to persons who were employed as aforesaid before the appointed day and who on and from that day become employees of the Corporation under Section 16.(7)A claim mentioned in sub-section (1), sub-section (2) or sub-section (5), may be preferred whether or not a decree or award has been obtained on the basis thereof and it shall conform generally to the requirements of Orders VII and of the Code or Civil Procedure, 1908), as if it were a plaint.(8)A certificate mentioned in sub-section (3), or sub-section (6), may be sent whether or not any recovery certificate or other process has been issued or other legal proceedings have been taken before the

appointed day in respect of dues referred to that sub-section, and shall be conclusive evidence of the matters stated therein.(9)The prescribed authority shall hold such inquiry as it thinks fit, and subject to the provisions of sub-section(8) of section 9, adjudicate on the claims mentioned in this section and also on any dispute as to title or the compensation.(11)The amount of compensation shall be applied to the satisfaction of the claims mentioned in sub-section (6) of Section 7 and the foregoing sub-section, in the following order;(a)claims mentioned in sub-section (1);(b)claims mentioned in Cl. (a) of sub-section (6) of section &;(c)claims mentioned in Cls. (b)_ (c) and (d) of sub-section (6) of section 7;(d)claims mentioned in Cl. (e) of sub-section (6) of Section 7;(e)other claims mentioned in the clause of sub-sections.(12)The claims mentioned in each clause of sub-section (11) shall rank equally between themselves, and if the balance referred to in that sub-section is insufficient to meet them they shall be satisfied proportionately.(13)The claims mentioned in the foregoing sub-sections shall be preferred or certificate in respect there sent to the prescribed authority within four months from the appointed day:Provided that any period referred to in the proviso to sub-section (1) of Section 7 shall be excluded while computing the said period;Provided further that nothing in the foregoing sub-section shall be constructed to require any claims to be preferred or certificate to be issued in respect of any amount deducted by the State Government under clause (b) clause (c) or clause (d) of sub-section (6) of Section 7.(14)The claims referred to in sub-section (11) shall be satisfied from the amount available out of compensation by the State Government or the prescribed authority, as the case may be and the liability of any person interested in the scheduled undertaking shall, to the extent of such payment, stand discharged.(15)If the State Government pays any amount to any person which, according to the decision of the prescribed authority, was not payable to him or exceeded the amount payable to him, the prescribed authority may make an order for the refund to such amount or, as the case may be, the excess amount, and such order shall have the force of a decree of a Civil Court.(16)The prescribed authority may disburse the sums deposited with it in accordance with its decisions or the decisions of the Tribunal, as the case may be and may make such interim orders respecting the withdrawal or investment of the whole or part of any such sum as it thinks just and expedient.Explanation. - In the Section and in section 16, a person employed exclusively in connection with the undertaking immediately before the appointed day includes a seasonal worker who was in receipt of retaining allowance immediately before such day but does not include any other casual worker.

9. Avoidance of certain secured debts.

(1)Where any objection relating to a claim based on a debts, mortgage, charge or other encumbrance or lien, or similar obligation is preferred to the prescribed authority under sub-section (9) of Section 7, of the State Government or the Corporation or any person referred to in sub-section (2), sub-section (4) or sub-section (5) of section 8, or any other creditor of the objector, may contest such claim, inter alia, on any of the following grounds, namely:-(i)that the transaction of debt, mortgage, charge or other encumbrance or lien, trust or other obligation on which the claim is based was entered into-(a)to defect or delay any dues of the State Government or any claim referred to in Section 8 or the Claim of any other creditor;(b)to give to the claimant, or to a person through whom he claims, a preference over the dues of the State Government or of persons referred to in the said sub-section of Section 8 such transaction having been entered into within a period of one year

immediately before the appointed day; or(ii)that the transaction was not entered into in good faith and that its terms were not reasonable.(2)The prescribed authority after taking into consideration all the circumstances of any such transaction and of the scheduled undertaking may unless the claimant is proved to the satisfaction of the prescribed authority to be a transferee in good faith and for consideration, make an order cancelling or varying the transaction on such terms as ti may think fit to impose and the transaction shall, thereupon, cease to have effect or, as the case may be, shall have effect subject to such variation.

10. Prescribed Authority.

- The State Government shall, by notification in the Gazette, appoint an officer and below the rank of a commissioner or a District Judge to perform the function of the prescribed authority under this Act, and different prescribed authorities may be appointed in respect of different scheduled undertakings.

11. Appeal.

- Any person (including the State Government) aggrieved by decision of the prescribed authority may prefer an appeal against such decision to the Tribunal, and the Tribunal may thereupon make such orders as it thinks fit.

12. Tribunal.

(1)The State Government shall, by notification in the Gazette, constitute a Tribunal to perform the functions assigned to it by this Act, and different Tribunals may be constituted in respect of different scheduled undertakings.(2)The Tribunal shall consist of a single member, appointed by the State Government, from amongst persons who are or have been Judges of a High Court.

13. Power and Procedure.

(1)The prescribed authority or the tribunal shall have the powers of a Civil Court, while trying a suit or executing a decree under the Code of Civil Procedure, 1908 (Act V of 1908), in respect of following matters-(a)Summoning and enforcing the attendance of any person and examining him on oath;(b)requiring the discovery and production of any document;(c)receiving evidence on affidavits;(d)issued commission for the examination of any witness or document or for the inspection or evaluation of any property or assets comprised in a scheduled undertaking;(e)executing any order made by it;(f)such other matters, if any, as may be prescribed.(2)The prescribed authority or the Tribunal shall have power to regulate its own procedure, and to review any of its decisions in the event of there being a mistake on the face of the record or correct any arithmetical or clerical error therein.(3)If for any reason a vacancy (other than a temporary absence) occurs in the office of the prescribed authority or of the member of the Tribunal, the State Government shall appoint another person in accordance with the provisions of this Act to fill the vacancy and the proceeding may be continued before the prescribed authority or

the tribunal, as the case may be, from the stage at which the vacancy is filled.(4)The prescribed authority or the Tribunal shall be deemed to be a Civil Court within the meaning of Section 480 of the Code of Criminal Procedure, 1889 (Act V of 1889)¹ and any proceeding before the prescribed within the meaning of section 193 and 228 of the Indian Penal Code (Act XLV of 1860).

14. Bar of Jurisdiction.

- Every decision of the prescribed authority, subject to appeal, if any, to the Tribunal and every decision of the Tribunal under this Act shall be final and shall not be called into question in any court.

15. Liability in respect of unsatisfied claims and other dues.

- Nothing in this Act shall be construed-(i)to affect any dues on any advance referred to in Clause (c) of sub-section (1) of Section 7 or any claim referred to in section 8 to the extent it remains unsatisfied out of the amount of compensation; or(ii)to transfer any liability or obligation in respect thereon to the State Government or to the Corporation;(iii)to bar any remedy or any investigation or legal proceeding (whether pending immediately before the appointed day or not) under any law for the time being in force (including any law relating to recovery of dues realisable as arrears of revenue) in respect thereof against any person interested in the scheduled undertaking.

16. Transfer of employees.

(1)Save as otherwise provided in this section, every person (other than a director of a company in whom the ownership, management or control of the scheduled undertaking was vested immediately before the appointed day, or of a subsidiary company of such company, or a relative, as defined in section 6 of the companies Act, 1956 (Act. 1 of 1956). of such director or of proprietor or partner or lessee of the undertaking, who was employed exclusively in connection with the schedule undertaking immediately before the appointed day shall, on and from that day become an employee of the Corporation and shall hold his office or service therein by the same tenure, at the same remuneration and upon the same terms and conditions, and with same rights and privileges as to pension gratuity and other matters as he would have held the same on the appointed day if the undertaking had not been transferred to and vested in the Corporation and shall continue to do so until his employment in the Corporation is terminated or until his remuneration or other terms and condition of service are revised or altered by the Corporation under or in pursuance of any law or in accordance with any provision which for the time being governs his service:Provided that no appointment made or promotion, increment in salary pension, allowance or any other benefit 1[granted to any person after the 31st day of March, 1970 in relation to an undertaking specified in Schedule I, 31st day of March, 1983 in relation to an undertaking specified in Schedule II and such date as may be notified by the State Government in this behalf in relation to an undertaking specified in Schedule III (such dates hereinafter referred to as the specified date) and before the appointed day which in the opinion of the Corporation would not ordinarily have been admissible under the terms and conditions of service in force prior to the specified date shall have effect or be payable or claimable from the Corporation or from any provident. Pension or other fund or from any

authority administering the fund unless the State Government has, by general or special order, confirmed the appointment, promotion or increment or has directed the continued grant of the pension, allowance or other benefit, as the case may be.(2)Notwithstanding anything in sub-section (1), but subject to any express agreement to the contrary, any person referred to therein other than a workman as defined in the U.P. Industrial Disputes Act, 1947 (U.P. Act XXVIII of 1947), who becomes an employee of the Corporation shall be liable to be transferred from the scheduled undertaking in which he was employed immediately before the appointed day to any other undertaking or establishment belonging to the Corporation at the same remuneration and on the same terms and conditions as govern him immediately before such transfer.(3)If the question arises as to whether any person was exclusively employed in connection with the scheduled undertaking immediately before the appointed day, it shall be decided by the prescribed authority.(4)For the person who, immediately before the appointed day were trustees for any person, provident gratuity or other like fund constituted for the employees referred to in sub-section (1), other than trustees nominated by or under any law, there shall be substituted as trustees such person as the State Government may, by general or special order, specify.(5)Notwithstanding anything contained in the U.P. Industrial Disputes Act, 1947 (U.P. Act XXVIII or 1947), or in any other law for the time being in force, the transfer of services of any employee to the Corporation under sub-section (1) shall not entitle any such employee to any compensation under that Act or such other law, and no such claim shall be entertained by any Court, tribunal or authority.(6)Where the State Government is satisfied that for purposes for securing uniformity in the scales of remuneration and other terms and conditions of service applicable to persons employed in connection with the scheduled undertakings vested in the Corporation under this Act it is necessary so to do, or that in the interest of Corporation or for the development of sugar industry in the State a reduction in remuneration payable or any class of them it called for the State Government notwithstanding anything in this section or in the U.P. Industrial Disputes Act 1947 (U.P. Act XXVIII of 1947), or any other law for the time being in the award, settlement or agreement for the time being in force may at any time within the period of three years from the appointed day after (whether by way of reduction or otherwise) the remuneration and the other terms and conditions of service to such extent and in such manner as it thinks fit, and if the alteration is not acceptable to any employee, the Corporation may terminate his employment by giving him compensation equivalent to three months, remuneration unless the contract of service with such employee provides for a shorter notice of termination.Explanation I. - The compensation payable to an employee under this sub-section shall be in addition to and shall not affect, any pension gratuity, provident fund or any other benefit to which the employees may be entitled under the contract of service.Explanation II. - The Expression "contact of service" means the contract as subsisting between the employee and the Corporation immediately before termination.(7)For the purposes of adjudication upon the fairness or reasonableness of the provisions of any standing orders under the Industrial Employment (Standing Orders) Act, 1947 {Act XX of 1946) or the fairness and reasonableness of wages and other allowances, leave with wages, holidays, bonus, profit-sharing provident fund, gratuity, customary concession and privileges, rationalisation, retrenchment or any other matter mentioned in the Second or the Schedule III to the U.P. Industrial Disputes Act, 1947) U.P Act XXVIII of 1947) and for calculation of bonus under the payment of Bonus Act, 1965 (Act XXI of 1965) or any contribution under the Employees' Provident Fund Act, 1952 (Act XIX of 1952) or under the Employees' State Insurance Act, 1948 (Act XXXIV of 1948) the accounts, profits, losses and other circumstances of or

pertaining to the undertaking belonging to the Corporation in which a workman or other employee is for the time being employed shall alone be considered and not the accounts, profits, losses and other circumstances of any other undertaking vested by virtue of this Act in the Corporation or otherwise acquired by it.(8)Where at any time after the appointed day the Corporation promotes any subsidiary company and transfer one or more scheduled undertaking which by virtue of this Act have vested in the Corporation such company, the services of such of the employees of the Corporation declare to have been employed in connection with that or those undertaking excepting (such of them as elect otherwise within such time as may be prescribed) shall stand transferred to that subsidiary company and every such employee shall become the employee of such company and privileges as to pension, gratuity and other matters as would have been admissible to him if the undertaking had not been transferred to the subsidiary company, and shall continue to do so until his remuneration or other terms and conditions of service are revised or altered by the company under or in pursuance of any law or in accordance with any provision which for the time being governs his service and the provisions of sub-section (5) shall mutatis mutandis apply to in relation to such transfer of services.

17. Access to books of account and other documents.

- Where, at any time during a period of one year from the appointed day, occupier or nay person interested in a scheduled undertaking requires for purposes of defending any claims referred to in Sections 7 and 8 before the prescribed authority or for filling nay returns before any public officer or authority, or any other like purpose, any information contained in any book of account, register or other document which by virtue of this Act has vested in the Corporation, he may apply to the Corporation for Inspection of such book, register or other documents, and thereupon the Corporation shall afford him all facilities for the purpose and in particular, allow him to inspect any such book, register or document or to take extracts or copies therefrom.

18. Penalties.

(1)Any person who-(a)having in his possession, custody or control any property, asset, book of account, register or other document forming part or relating to a scheduled undertaking vested in the Corporation under Section 3, withholds it from the Collector in contravention of the provisions of Section 5; or(b>wrongfully obtains possession of any such property, asset, book of account, register or other document; or(c)concel, destroys, mutilates or defaces any book of account, register or other document with intent to evade the provisions of Section 5; or(d>wilfully fails to furnish any particulars as required by Section 6; or(e)furnishes in complaine with the requirements of Section 6, particulars which are false and which he either knows or believes to be false or does not believe to be true;shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.(2)Any Court trying any offence under Clause (a) or (b) of sub-section (1) may, at the time of convicting the accused person, order him to deliver up within a time to be fixed by it any property, asset, book of account, register or other document wrongfully obtained or wilfully withheld.(3)No Court shall take cognizance of an offence punishable under this section except with the previous sanction of the State Government or of an officer authorised by the State Government in that behalf.

19. Offence by Companies.

(1) If the person committing an offence under this Act is a company, the company, as well as every person in charge of and responsible to the company, for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the offence; (2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or that the commission of the offence is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly. Explanation: - For the purposes of this section - (a) "company" means any body corporate, and includes a firm or other association of individuals; and (b) "director", in relation to a firm means a partner in the firm.

20. Protection of action taken in good faith.

- No suit, prosecution or other legal proceeding shall lie against the State Government, the Corporation, the prescribed authority or the Tribunal, or an officer or servant of the State Government or of the Corporation, or any person authorised by the State Government, the Corporation, the prescribed authority or the Tribunal to perform any function under this Act, for anything which is in good faith done or intended to be done under this Act or any rule or order made thereunder.

21. Power to make rules.

(1) The State Government may, by notification in the Gazette, make rules to carry out the purposes of this Act. (2) All rules made in this Act shall, as soon as may be, after they are made, be laid before each House of the State Legislature, while it is in session, for a total period of not less than fourteen days, extending in its one session or more than one successive sessions, and shall, unless some later date is appointed take effect from the date of their publication in the Gazette subject to such modifications or annulments as the two Houses of the Legislature may, during the said period, agree to make, so however, that any such modification or annulment shall be without prejudice to the validity of anything previously done thereunder.

22. Repeal and saving of Uttar Pradesh Ordinance No. 13 of 1971.

(1) The Uttar Pradesh Sugar undertakings (Acquisition) Ordinance, 1971 is hereby repealed. (2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under this Act as if this Act had come into force on the 3rd day of July. [Schedule 1] [See Sections 2(b) and 7(5)]

Col. 1 Col. 2

Sl.No. Name in which the factory is registered with the Chief Inspector of Factories, Uttar Pradesh and its address.

(Note.- When the factory is registered in the name of the company or firm owning or holding the factory on lease, the name as registered is specified in the column but such specified shall not be construed to mean that it is that company or firm that is being acquired by virtue of Section 3).

Col. 3.

Amount of Compensation (in rupees).

1.	Ramchand and Sons Sugar Mills (Pvt.) Ltd Bara Banki	... Twenty five lakhs (Rs. 25,00,000).
2.	Burhwal Sugar Mills Col.Ltd.. Burhwal District Bara Banki	... Twenty four lakhs (Rs. 24,00,000).
3.	R.B. Lachmandas Sugar and General Mills(Pvt.)Ltd.. Jarwal Road, District Bahraich,	... Ten Lakhs (Rs. 10,00,000).
4.	Maheshwari Khetan Sugar Mills (Pvt.) Ltd., Romkola District Beoria	... Eleven Lakhs (Rs. 11,00,000)
5.	Vishun Pratap Sugar Mills Ltd.. also described as Vishum Pratap Sugar Works (Pvt.) Ltd., Khadda, District Deoria	... Eight Lakhs (Rs. 8,00,000)
6.	Diwan Sugar Mills, also described as Diward.. Sugar and General Mills (Pvt.) Ltd., Sakhott, Tanda, District Meerut. (Note.- The lessee of this factory Mills (Pvt.) Ltd.	... Twelve Lakhs (Rs. 12,00,000)
7.	Ram Laxman Sugar Mills, Mohiuddinpur, District Meerut.	... Thirteen lakhs and Fifty thousands (Rs.13,50,000)
8.	Raza Buland Sugar Company Ltd., Rampur	... One crore, eighteen lakhs (Rs. 1,18,00,000)
9.	kundari Sugar Mills, District Moradabad.	... Forty two lakhs (Rs. 42,00,000).
	[Note- The lessee of this factory is Kundan Sugar Mills (Pvt.) Ltd.]	
10.	Shiv Prasad Banarsi Das Sugar Mills, Bijnor.	... Twenty-One lakhs (Rs. 21,00,000).
11.	Ishwari Khetan Sugar Mills, Ltd., Lakshminganj, District Deoria.	... Twenty-two lakhs (Rs. 22,00,000)
12.	Kamlapat Moulal Bhati Sugar Mills Ltd., Branch Bhatni, also described as Kamlapat Motilat Bhatni, (Sugar Mills) Branch Bhatni, District Deoria.	... Twenty-two lakhs (Rs. 22,00,000)

[Scheduled II]

Col. 1 Col.2

Col. 3.

Sl.No.

	Name in which the factory is registered with the Chief Inspector of Factories, Uttar Pradesh and its address. [Name- Where the factory is registered in the name of the company or firm owing or holding the factory on lease, the name as registered is specified to mean that it is that company or firm that is being acquired by virtue of Section 3.]	Amount of compensation (in rupees).
1.	Shri Janki Sugar Mills Company Limited., Doiwala, Dehra Dun.	... Seventeen lakh. eighty thousand.
2.	Lord Krishna Sugar Mills, Saharanpur.	Seventy-one lakh, thirty eight thousand eight-six (71, 38, 086)
3.	Amritsar Sugar Mills, Rohankalan, Muzaffarnagar.	Seventy lakh, one thousand, seven hundred, sixty seven (70,01,767)
4.	Jaswant Sugar Mills Limited, Bagpat Road, Meerut.	Twenty-nine lakh, nine thousand, three hundred and forty one- (29,09,341).
5.	Panniji Sugar General Mills, Panni Nagar, Bulandshahr.	Fifty-three lakh and fifteen thousand (53,15,000)
6.	H.R. Sugar Factory, Nekpur, Bareilly.	Nine lakh, seventy seven thousand, seven hundred and eighty-five. (9,77,785)
7.	Lakshmi Sugar and Oil Mills Limited, Hardoi.	Fifteen lakh, forty thousand and two hundred seventy-six (15,40,276)
8.	Lakshmi Devi Sugar Mills Limited, Deoria.	Sixteen lakh, sixty-five thousand, three hundred and seventy-nine, (16,65,379)
9.	Madho Mahesh Sugar Mills Private., Limited, Munderwa, Basti.	Sixteen lakh, eighty four thousand, six hundred and fifty-seven (16,84,657)
10.	Punjab Sugar Works Limited, Chughll, Gorakhpur.	Eleven lakh twelve thousand and fifty three. (11,12,053)
11.	Mahavir Sugar Mills Private Limited., Siswa Bazar, Gorakhpur.	Five lakh, twenty-four thousand, five hundred and thirty-nine (5,24,539)
12.	Laksmiji Sugar Mills, Maholi, Sitapur.	One crore, nine lakh. ninety-four thousand, six hundred and twenty-seven. (1,09,94,627)

[Schedule III [See Sections 2(h) and 7(5)]]

Col. 1 Col. 2

Col. 3.

Sl.No.	Name in which the factory is registered with the Chief inspector of Factories, Uttar Pradesh and its address. [Note.- Where the factory is registered in the name of company or firm owning or holding the factory on lease the name as registered is specified in this column, but such specification shall not be construed to mean that it is that company or firm that is being acquired by virtue of Section 3)	Amount of compensation (in rupees).
1.	Shri Sita Ram Sugar Mills Ltd., Baitalpur, Deoria.	(Rupees sixty-eight lakh, ... forty-eight thousand, one hundred fifty-nine) (68,48,159)
2.	Deoria Sugar Mill, Deoria.	(Rupees sixty-two lakh, ... eighty-three thousand, fifty-one) (62,83,051)
3.	Ratna Sugar Mills Co.Ltd, Shahganj, Jaunpur.	(Rupees eighty-eight lakh, ... thirty-one thousand, six hundred sixty-four) (88,31,664)
4.	Nawabganj Sugar Mills Co.Ltd., Gonda.	(Rupees twenty-seven lakh, ... seventy thousand) (27,70,000)

Notifications English translation of Udyon Anubhag-6, Notification No. 6940-SC/XVIII-6-700(16)-88, dated October 27, 1984, published in U.P. Gazette, Extra, dated 27th October, 1984, P.2. - In supersession of Notification No 6410/SC/XVIII-6-357-80, dated September 29, 1984 and in exercise of the powers under Clause (a) of Section 2 of the Uttar Pradesh Sugar Undertakings (Acquisition) Act, 1971 [U.P. Act No. 23 of 1971]. as amended by the Uttar Pradesh Sugar Undertaking (Acquisition) (Amendment) Ordinance. 1984 (U.P. Ordinance No. 17 of 1974). the Governor is pleased to appoint October 28, 1984, as the appointed day, in relation to the undertakings specified in Schedule II of the said Act.