

## RAJYA SABHA

Monday, 2nd March, 1959

The House met at eleven of the  
•clock, MR. CHAIRMAN in the Chair.

### ORAL ANSWERS TO QUESTIONS

#### COMPLAINTS AGAINST THE COMPANIES FOR VIOLATION OF SECTION 264 OF THE COMPANIES ACT, 1956

f SHRI N. C. SEKHAR: \*352. J SHRI J. V.  
K. VALLABHA "1 RAO: ^SHRI  
BHUPESH GUPTA: f

Will the Minister of COMMERCE AND  
INDUSTRY be pleased to state:

(a) whether the Registrar of Companies,  
Punjab, received any ■complaint regarding  
the disregard of Section 264 of the Companies  
Act, 1956, against (i) the Hoshiarpur  
Express Transport Company Ltd., and (ii)  
against the Kartar Bus Service of Jullundur;  
and

(b) if so, what action has been "taken in  
the matter?

THE DEPUTY MINISTER OF  
COMMERCE AND INDUSTRY (SHRI SATISH  
CHANDRA) : (a) Yes, Sir. Complaints were  
made orally to the Registrar of Companies,  
Punjab.

(b) In the case of Hoshiarpur Express  
Transport Co. Ltd. the position was  
subsequently regularised by the company. In  
the other case the Registrar pointed out the  
irregularity to the company and advised it to  
rectify it in its own interest. Noncompliance  
with this section disqualifies a person who is a  
non-retiring ■director of a company from  
being appointed as a director.

fThe question was actually asked on the  
floor of the House by Shri jBhupesh Gupta.

125 RSD.—I

SHRI BHUPESH GUPTA: May I know the  
nature of the complaints that were made?

SHRI SATISH CHANDRA: It is regarding  
a technical irregularity. Under section 264 of  
the Companies Act, a person who has not  
been a director of a company has to give his  
consent in writing if he is to be appointed as a  
new director. In this case the consent was  
given by the directors after they had been  
elected. They consented later on and it was  
regularised in a special meeting of the Board  
of Directors.

SHRI BHUPESH GUPTA: May I know  
what was the taxable income from the three  
public carriers of the Kartar Bus Service Ltd.,  
General Motor Stand, Jullundur City for the  
years beginning with 1950?

SHRI SATISH CHANDRA: That does not  
arise from this.

SHRI BHUPESH GUPTA: May I know  
whether any complaint with regard to such a  
matter was also brought to the notice of the  
Minister or of the Government?

SHRI SATISH CHANDRA: No, Sir.

#### COMMUNITY DEVELOPMENT AUTHORITIES IN URBAN AREA FOR SLUM CLEARANCE

\*353. SHRI N. R. MALKANI: Will the  
Minister of WORKS, HOUSING AND SUPPLY be  
pleased to state:

(a) whether Government propose to  
constitute community development  
authorities in urban areas in accordance with  
the recommendations of the Advisory  
Committee on Slum Clearance; and

(b) if so, what will be the relationship  
between such an authority and the  
Improvement Trusts wherever they exist?

THE DEPUTY MINISTER OF WORKS,  
HOUSING AND SUPPLY (SHRI ANIL K.  
CHANDA) : (a) and (b). Since the primary  
responsibility for