

## 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

\*352 { SHRI N C SEKHAR  
SHRI J V K VALLABHA  
RAO  
SHRI BHUPESH GUPTA.†

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. Non-compliance with this section disqualifies a person who is a non-retiring director of a company from being appointed as a director

†The question was actually asked on the floor of the House by Shri Bhupesh Gupta

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