

12.16 hrs.

TRIPURA EXCISE LAW (REPEAL)
BILL*

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi): Sir, I beg to move for leave to introduce a Bill to provide for the repeal of the Tripura Excise Act.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the repeal of the Tripura Excise Act."

The motion was adopted.

Dr. B. Gopala Reddi: Sir, I beg to introduce† the Bill.

12.16½ hrs.

COMPANIES (AMENDMENT)
BILL—cd.

Mr. Speaker: The House will now take up further clause-by-clause consideration of the Bill further to amend the Companies Act, 1956, as reported by the Joint Committee. Shri G. D. Somani may continue his speech.

Shri Somani (Dausa): My amendments Nos. 94, 95, 96 and 97 to clause No. 70 read as follows:

Page 36,—

after line 24, add—

"Provided that before directing a special audit of the company's accounts, the Central Government shall give notice to the company of its intention to appoint a special auditor stating the reasons therefor and give the company an opportunity to show cause why such special audit should not be directed and if the Central Government is reasonably satisfied with the explanation, the

said special audit shall not be directed.

(1A) Where the Central Government makes an order under sub-section (1), the company or any person aggrieved thereby may apply to the Court against such order and the Court may, if it thinks fit, vacate such order after giving the Central Government an opportunity of being heard." (94)

Page 37,—

omit lines 1 to 7. (95)

Page 37, line 9,—

after "Central Government" insert—

"shall furnish a copy of the report to the company and". (96)

Page 37,—

for lines 14 to 18, substitute—

"receipt, that Government shall send to the company a report with its comments thereon and require the company either to circulate a copy of the report or such extracts thereof as the Central Government may indicate to the members or to have the report or such extracts read before the company at its next general meeting." (97)

I may say that I am not opposed to the principle underlying this clause. I am opposing this clause as in my opinion this clause is neither necessary nor desirable and it will do more harm than good. I listened very carefully to the arguments put forward by Shri Morarka and Shri Nathwani yesterday supporting this clause but I respectfully submit that I still remain unconvinced. I had opportunities to function as chairman of certain investigation committees appointed by the Ministry to investigate the affairs of certain textile companies which had come to grief and the members associated with me in such committees and I felt that no

*Published in the Gazette of India Extraordinary, Part II—Section 2, dated 25th November, 1960.

†Introduced with the recommendation of the President.