

ACT 42 OF 1961

THE KERALA NON-TRADING COMPANIES ACT, 1961*

An Act to provide for the incorporation, regulation and winding up of companies, other than trading corporations (including banking, insurance and financial corporations), with objects confined to the State of Kerala.

Preamble.—WHEREAS it is expedient to provide for the incorporation, regulation and winding up of companies, other than trading corporations (including banking, insurance and financial corporations), with objects confined to the State of Kerala;

BE it enacted in the Twelfth Year of the Republic of India as follows:—

1. *Short title, extent and commencement.*—(1) This Act may be called the Kerala Non-trading Companies Act, 1961.

(2) It extends to the whole of the State of Kerala.

(3) It shall come into force on such date as the Government may, by notification in the Gazette, appoint.¹

2. *Definitions.*— In this Act and in the Companies Act, 1956 (Central Act 1 of 1956), as applied to the State of Kerala by section 3, unless the

*Received the assent of the Governor on the 22nd day of December, 1961 and published in the Kerala Gazette Extraordinary dated 26th December, 1961.

context otherwise requires,—

(1) “company” means a company, other than a trading corporation (including banking, insurance and financial corporations), with objects confined to the State of Kerala formed and registered under the Companies Act, 1956 (Central Act 1 of 1956), as modified by this Act, or an existing company as defined in clause (2);

(2) “existing company” means a company, other than a trading corporation (including banking, insurance and financial corporations), with objects confined to the State of Kerala formed and registered under any of the companies laws, specified below:—

(i) Any Act or Acts relating to companies in force before the Indian Companies Act, 1866 (10 of 1866) and repealed by that Act;

(ii) The Indian Companies Act, 1866 (10 of 1866);

(iii) The Indian companies Act, 1882 (6 of 1882);

(iv) The Indian Companies Act, 1913 (7 of 1913);

(v) The Registration of Transferred Companies Ordinance, 1942 (54 of 1942);

(vi) The Travancore Companies Act, 1114 (IX of 1114);

(vii) The Cochin Companies Act, 1120 (XI of 1120);

(viii) The Companies Act, 1956 (1 of 1956), before the commencement of this Act;

(3) “Registrar” means the Inspector General of Registration for the State of Kerala or such other officer as the Government may, by notification in the Gazette, appoint to be the Registrar for purposes of this Act.

3. *Application of the Companies Act, 1956 (Central Act 1 of 1956) to non-trading companies with objects confined to the State of Kerala.*— The Companies Act, 1956 (Central Act 1 of 1956), in so far as it is the law relating to companies, other than trading corporations (including banking, insurance and financial corporations), with objects not confined to one State, shall, *mutatis mutandis* and subject to the modifications specified in the Schedule to this Act, be applicable to the State of Kerala, and shall be the law relating to companies, other than trading corporations (including banking, insurance and financial corporations), with objects confined to the State of Kerala.

4. *Provision relating to existing companies.*— Every existing company with its registered office in any place in the State of Kerala shall be deemed to be registered under the Companies Act, 1956 (Central Act 1 of 1956), as applied to the State of Kerala by section 3, and shall be

governed by the said Act, accordingly.

5. *Validation of registration of non-trading companies under Central Act 1 of 1956.*— Every company other than a trading corporation (including banking, insurance and financial corporations), with objects confined to the State of Kerala, registered before the commencement of this Act under the Companies Act, 1956 (Central Act 1 of 1956), shall be deemed to have been validly and lawfully registered as if the said Act, in so far as it relates to such companies, had been passed by the State Legislature.

6. *Transfer of records relating to existing companies to Registrar.*— On the commencement of this Act, the records relating to existing companies in the offices of Registrars appointed under the Companies Act, 1956 (Central Act 1 of 1956), shall be transferred to the office of the Registrar referred to in clause (3) of section 2 and shall thereafter be maintained in that office.

7. *Construction of Companies Act as applied to the State.*— Any court may construe the provisions of the Companies Act, 1956 (Central Act 1 of 1956), as applied by section 3, with such modifications not affecting the substance thereof as may be necessary or proper, in order to adapt them to the matters before the Court.

8. *Repeal* .— The Travancore Companies Act, 1114 (IX of 1114), the

Cochin Companies Act, 1120 (XI of 1120), and the Indian Companies Act, 1913 (Central Act 7 of 1913), as in force in the Malabar district referred to in sub-section (2) of section 5 of the States Reorganisation Act, 1956 (Central Act 37 of 1956), in so far as they relate to companies, other than trading corporations, with objects confined to one State, are hereby repealed.

THE SCHEDULE

(See section 3)

MODIFICATIONS

- (1) References to “the Central Government”, and “Government” where it refers to the Central Government shall be construed as references to the Government of Kerala.**
- (2) References to “Parliament” shall be construed as references to the Kerala State Legislature.**
- (3) References to “the Comptroller and Auditor-General of India” shall be construed as references to the Accountant-General, Kerala.**
- (4) In section 1, sub sections (2) and (3) shall be omitted.**
- (5) In section 2, clauses (10), (16) and (40) shall be omitted.**

(6) In section 3,—

(i) in sub-section (1), clauses (i) and (ii) shall be omitted;

(ii) sub-section (2) shall be omitted.

(7) Parts X and XI shall be omitted.

(8) In section 643—

(a) in sub-section (1),—

(i) for the words “The Supreme Court after consulting the High Courts”, the words “The High Court” shall be substituted;

(ii) in sub-clause (i) of clause (b), for the words “in High Courts”, the words “in the High Court” shall be substituted;

(b) in sub-section (2), for the words “the Supreme Court”, the words “the High Court” shall be substituted;

(c) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) Until rules are made by the High Court as aforesaid all rules on the matters referred to in this section in force at the commencement of this Act shall continue to be in

force in so far as they are not inconsistent with the provisions of this Act in the High Court and in courts subordinate thereto”.

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