

THE COMPANIES (AMENDMENT) ACT, 1964

No. 32 OF 1964

[9th October, 1964.]

An Act further to amend the Companies Act, 1956.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short
title.
Insertion
of new
sub-head-
ing and
section
after
section
635A of
Act 1 of
1956.

1. This Act may be called the Companies (Amendment) Act, 1964.

2. After section 635A of the Companies Act, 1956, the following sub-heading and section shall be inserted, namely:—

“Temporary Protection of Employees

Protection
of em-
ployees
during
investiga-
tion by
Inspector
or pend-
ency of
proceeding
before
Tribunal
in certain
cases.

635B. (1) If—

(a) during the course of any investigation of the affairs and other matters of or relating to a company, body or person under section 235, section 237 or section 239 or of the membership and other matters of or relating to a company, or the ownership of shares in or debentures of a company or body corporate, or the affairs and other matters of or relating to a company, body or person, under section 247, section 248 or section 249; or

(b) during the pendency of any proceeding against any person concerned in the conduct and management of the affairs of a company under Chapter IVA of Part VI,

such company, body or person proposes—

(i) to discharge, or

(ii) to punish, whether by dismissal, removal, reduction in rank or otherwise,

any employee, the company, body or person, as the case may be, shall send by post to the Company Law Board previous intimation in writing of the action proposed against the employee and if the Company Law Board has any objection to the action proposed, it shall send by post notice thereof in writing to the company, body or person concerned.

(2) If the company, body or person concerned does not receive within thirty days of the sending of the previous intimation of the action proposed against the employee, any notice of the objection from the Company Law Board, then and only then, the company, body or person concerned may proceed to take against the employee the action proposed.

(3) If the company, body or person concerned is dissatisfied with the objection raised by the Company Law Board, it may, within thirty days of the receipt of the notice of the objection, prefer an appeal to the Tribunal in the prescribed manner and on payment of the prescribed fee.

(4) The decision of the Tribunal on such appeal shall be final and be binding on the Company Law Board and on the company, body or person concerned.

(5) For the removal of doubt, it is hereby declared that the provisions of this section shall have effect without prejudice to the provisions of any other law for the time being in force."

2 of 1964.

3. (1) The Companies (Amendment) Ordinance, 1964 is hereby repealed. Repeal
and
saving.

(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 commenced on the 5th day of July, 1964.