

**HOOGLY DOCKING AND ENGINEERING COMPANY LIMITED
(ACQUISITION AND TRANSFER OF UNDERTAKINGS)
(INTIMATION REGARDING MORTGAGE, CHARGE, LIEN OR
OTHER INTEREST IN ANY PROPERTY) RULES, 1985**

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STATEMENT OF OBJECTS AND REASONS 1. The Hooghly Docking and Engineering Company Limited consists of two production units, namely. Salkia Works at Salkia, Howrah and Port Engineering Works at Howrah. The Company is engaged in shipbuilding and ship repairing and in the production of grey iron, non-ferrous and alloy castings. More than 2,500 persons are employed in the aforesaid two units. 2. The units had become sick ever since mid sixties and assistance from the Industrial Reconstruction Corporation of India (IRC) was made available to it from 1973 onwards. It was being managed by IRCI since then. However, the units continued to be sick due to lack of adequate finance for working capital, fresh investment and modernisation. Interest burden, which continued to mount owing to accumulated losses, created further difficulties. IRCI also found it no longer possible to finance the units further. Employees' dues and other payments went into arrears. Wages of the employees could not be paid in time. Because of the uncertainty about the future of the Company, many technical and managerial personnel left the Company. It became difficult to keep the Company's operations going. 3. The revival of the undertakings by restructuring the capital was considered to be an immediate necessity for the purpose of securing the better utilisation of the infrastructure of the undertakings to modernise and increase the capacity for

shipbuilding and ship repairing so as to reduce the import of ships and to augment the production of grey iron, non-ferrous and alloy castings by the said undertakings so as to ensure the continued supply of the said articles. The revival was also considered necessary to save the workers employed in the undertakings from unemployment. Among the various- alternatives, acquisition and transfer of the undertakings by the Government was considered to be the only effective alternative to achieve the process quickly followed by a modernisation programme involving substantial capital expenditure. The Hooghly Docking and Engineering Company Limited (Acquisition and Transfer of Undertakings) Ordinance, 1984 (7 of 1984) was accordingly promulgated on the 28th June, 1984. 4. The Bill seeks to replace the aforesaid Ordinance. New Delhi; The 19th July, 1984. Narayan Datt Tiwari. [Gazette of India, Extraordinary, dated 31.7.1984, Pt. II, Section 2, Page 41 (No. 37)]

1. Short title and commencement :-

(1) These rules may be called the Hooghly Docking and Engineering Company Limited (Acquisition and Transfer of Undertakings) (Intimation Regarding Mortgage, Charge. Lien or other Interest in any Property) Rules, 1985.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions :-

In these rules, unless the context otherwise requires,-

(a) 'Act' means the Hooghly Docking and Engineering Company Limited (Acquisition and Transfer of Undertakings) Act, 1984 (55 of 1984).

(b) 'Section' means a section of the Act.

(c) all other words and expressions used in these rules and not defined but defined in the Act, shall have the meanings respectively assigned to them in that Act.

3. Time-limit for intimation :-

Every mortgagee of any property which has vested under the Act in the Central Government or in an existing, or a new Government Company, as the case may be, and every person holding any charge, lien or other interest in, or in relation to, any such property

shall give Intimation of such mortgage, charge, lien or other Interest to the Commissioner within a period of thirty days from such date, as may be specified by the Central Government under Section 18 :

Provided that If the Commissioner is satisfied that the mortgagee or the person holding any charge, lien or other interest was prevented by sufficient cause from giving the intimation within the said period of thirty days, he may, after recording reasons in writing receive the intimation within a further period of thirty days and not thereafter.

COMMENTS Every person having a claim against the Company with regard to any of the matters specified in the Schedule appended to the Act, pertaining to the undertakings of the Company shall prefer such claim before the Commissioner within thirty days from the specified date.

4. Manner of intimation :-

(1) Every intimation to be given to the Commissioner under rule 3 shall be in writing addressed to the Commissioner and shall contain the following particulars namely,-

(a) Name, description and full address of the mortgagee or the person holding charge, lien or other interest in or in relation to such property.

(b) name of the undertaking in respect of which the claim made;

(c) amount of claim (in Indian currency) ;

(d) particulars of the instrument, if any, by which the mortgage, charge, lien or other interest is secured ; supported by an attested copy of the instrument ;

(e) amount, if any, already received, with particulars

(f) any other particulars relevant to the claim ;

(g) relief claimed;

(2) Every Intimation shall be duly signed and verified by the mortgagee, or the person holding the charge, lien or other interest or by a person duly authorised by him.

(3) Intimations may be filed in the office of the Commissioner at 15, Ganesh Chandra Avenue, Calcutta-700013 on all working days

during office hours or may be sent to the Commissioner by registered post with acknowledgement due.