

**Alcock Ashdown Company Limited (Acqui-Ition Of  
Undertakings) Amendment Act, 1988**

**38 of 1988**

**[01 September 1988]**

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An Act further to amend the Alcock Ashdown Company Limited (Acquisition of Undertakings) Act, 1973. BE itenacted by Parliament in the Thirty-ninth Year of the Republic of India as follows :--

**1. Short Title :-**

This Act may be called the Alcock Ashdown Company Limited (Acquisition of Undertakings) Amendment Act, 1988.

**2. Amendment Of Section 2 :-**

In section 2 of the Alcock Ashdown Company Limited (Acquisition of Undertakings) Act, 1973 (56 of 1973.) (hereinafter referred to as the principal Act), after clause (c), the following clauses shall be inserted, namely:--

(ca) "notification" means a notification published in the Official Gazette;

( cd) "undertakings of the company" means --

(i) the industrial unit owned by the company and located at Bhavnagar in the State of Gujarat (hereinafter referred to as the Bhavnagar unit); and

(ii) the industrial unit owned by the company and located at Bombay in the State of Maharashtra (hereinafter referred to as the Bombay unit);.

### **3. Insertion Of New Sections 8A, 8B, 8C, 8D, 8E And 8F :-**

After section 8 of the principal Act, the following sections shall be inserted, namely :--

"8A.Vesting of the Bhavnagar unit in the State Government.- (1) Notwithstanding anything contained in sections 3 and 4, the Central Government shall direct by notification that all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property of the Bhavnagar unit which have vested in the Central Government under section 3, shall, instead of continuing to vest in the Central Government, vest in the State Government of Gujarat (hereinafter referred to as the State Government), either on the date of publication of the notification or on such later date as may be specified in the notification.

(2) Where the assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property of the Bhavnagar unit vest, under sub-section (1), in the State Government, that Government shall, on and from the date of such vesting, be deemed to have become the owner of such unit and the rights and liabilities of the Central Government in relation to that unit shall, on and from the date of such vesting, be deemed to have become the rights and liabilities of the State Government.

8B.Vesting of Bombay unit in Government company.- (1) Notwithstanding anything contained in sections 3 and 4, the Central Government shall direct by notification that all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property of the Bombay unit which have vested in the Central Government under section 3, shall, instead of continuing to vest in the Central Government, vest in the Mazagon Dock Limited, a Government company having its registered office in the State of Maharashtra (hereinafter referred to as the Government company), either on the date of publication of the notification or on such later date as may

be specified in the notification.

(2) Where the assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property of the Bombay unit vest, under sub-section (1), in the Government company, that company shall, on and from the date of such vesting, be deemed to have become the owner of such unit and the rights and liabilities of the Central Government in relation to that unit shall, on and from the date of such vesting, be deemed to have become the rights and liabilities of the Government company.

8C. Employment of certain employees to continue when Bhavnagar unit vests under section 8A.- (1) Where the assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property of the Bhavnagar unit vest, under section 8A in the State Government, every person who has been, immediately before the date of such vesting, employed in that unit shall become, on and from the date of such vesting, an employee of the State Government, and shall hold office or service under that State Government with the same rights and privileges and to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting and shall continue to do so unless and until his employment under the State Government is duly terminated or until his remuneration and other conditions of service are duly altered by the State Government.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947 (14 of 1947.) or in any other law for the time being in force, the transfer of the services of any officer or other person employed in the Bhavnagar unit to the State Government, shall not entitle such officer or other employee to any compensation under this Act or under any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

(3) Where under the terms of any contract of service or otherwise, any person, whose services become transferred to the State Government by reason of the provisions of this Act, is entitled to any arrears of salary or wages or any payments for any leave not availed of or any other payment, not being payment by way of gratuity or pension, such person may enforce his claim against the Central Government, but not against the State Government.

8D. Transfer of provident fund and other fund when undertakings vest under section 8A.- (1) Where a provident fund, superannuation fund, welfare fund or any other fund has been established for the benefit of the persons employed in the Bhavnagar unit, the monies relatable to the officers or other employees, whose services have become transferred by or under this Act to the State Government shall stand transferred to, and vest in, the State Government.

(2) The monies which stand transferred under sub-section (1) to the State Government shall be dealt with by that Government for the benefit of the officers and employees so transferred in such manner as the State Government may decide from time to time.

8E. Saving of contracts, etc.- All contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Central Government is a party in relation to the Bhavnagar unit vested in the State Government under section 8A subsisting or having effect immediately before that date of vesting of the said unit in the State Government shall, as from that day, be of full force and effect against, or in favour of the State Government and may be enforced fully and effectually, as if, instead of the Central Government, the State Government had been a party thereto.

8F. Power to remove difficulties.- (1) If any difficulty arises in giving effect to the provisions of sections 8A, 8B, 8C, 8D and 8F, the Central Government may, by order published in the Official Gazette, not inconsistent with the provisions of this Act, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the coming into force of the Alcock Ashdown Company Limited (Acquisition of Undertakings) Amendment Act, 1988.

(2) Every order made under sub-section (1) shall be laid before each House of Parliament. "