

**ANDHRA SCIENTIFIC 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.- The Andhra Scientific Company Limited, Machilipatnam, is engaged in the manufacture and production of various types of scientific instruments. From a small beginning, the Company had grown to be the largest private sector undertaking in the field of scientific instruments. Building up steadily, the Company attained a turnover of Rs. 45 lakhs by 1965-66. A downward trend started thereafter and in 1967-68, the Company incurred a loss of Rs. 1.91 lakhs which increased to Rs. 25.62 lakhs in 1971-72. In the light of the recommendations of certain Governmental Committees and in view of the fact that the Company had a body of talented and dedicated scientists and engineers its management was taken over by the Central Government under Section 18-AA of the Industries (Development and Regulation) Act, 1951, in June 1972. 2. Though the Central Government was advancing some amounts as loans during the period of its management, the Company was facing acute shortage of liquid funds for its working capital requirements. Funds are also required for modernisation of the plant and machinery. But pending nationalisation of the Company, it was not possible for Government to invest the required amount of funds in the Company. Studies made to determine the future set-up of the Company revealed that the undertakings of the Company should be nationalised in order to consolidate the gains of management and to ensure uninterrupted

supply of critical items of defence production. In view of the importance of the products manufactured by the Company and the loss of employment to more than 850 employees of the Company if the Company were to be closed down, it is considered necessary to take over the undertakings of the Company. 3. The Bill seeks to achieve the aforesaid object. Apart from providing for the acquisition and transfer of the undertakings of the Company, the Bill provides for the payment of an amount for such acquisition, vesting of the undertakings of the Company in a Government company, appointment of a Commissioner of Payments for the purpose of disbursing the amount payable to the Company and for other incidental and consequential matters. New Delhi; The 22nd September, 1982. R. VENKATARAMAN. [Gazette of India dated 16.10.1982 Extraordinary Pt. II S-2 Page 15 (No. 48)]

1. Short title and commencement :-

(1) These rules may be called the Andhra Scientific 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 Andhra Scientific Company.

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

(c) 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 mortgage of any property which has vested under the Act in the Central Government or in an existing, or now Government Company, as the case may be and every person holding any charge, lien or the 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 30 days from such date as may be specified by the Central Government under Section 18 :

Provided that if the Commissioner is satisfied that the mortgage or the person holding any charge, lien or other interest was prevented by sufficient cause from giving the intimation within the said period of 30 days, he may, after recording reasons in writing, receive the intimation within a further period of 30 days and not thereafter.

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 mortgage or the person holding charge, lien or other interest in, or in relation to any such property ;

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

(c) amount due under the mortgage, charge, lien or other interest (in Indian currency) ;

(d) particulars of instrument, if any,, by which the mortgage, charge, lien or other interest is secured, supported by an attested copy of such 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) Intimation may be filed in the office of the Commissioner at Plot No. 31, Ground Floor, Dwarka Puri Colony, Hyderabad-500004 on all working days during office hours or may be sent to the office of the Commissioner by registered post with acknowledgment due.