

THE ASSAM SILLIMANITE LIMITED (ACQUISITION AND TRANSFER OF REFRACTORY PLANT) ACT, 1976

No.22 OF 1976

[11th February, 1976.]

An Act to provide for the acquisition and transfer of the right, title and interest of the Assam Sillimanite Limited in respect of its Refractory Plant and for matters connected therewith or incidental thereto.

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WHEREAS it is urgently necessary to augment the supplies of refractories to meet the essential requirements of the iron and steel industry;

AND WHEREAS for the said purpose, a licence to set up a refractory plant was granted to the Assam Sillimanite Limited under the Industries (Development and Regulation) Act, 1951(65 of 1951);

AND WHEREAS in pursuance of the licence granted to it, the Assam Sillimanite Limited had imported machinery from abroad and commenced the construction of the first stage of its Refractory Plant but the project of the said company did not proceed beyond the first stage on account of financial and other difficulties, and the pilot Refractory Plant, which was constructed by the said company, has been closed;

AND WHEREAS special type of refractories, including high alumina refractories, needed by the iron and steel industry may be manufactured at the Refractory Plant of the Assam Sillimanite Limited and such manufacture will enable the country to progressively reduce the import of such special type of refractories;

AND WHEREAS for the purpose of speedily bringing the Refractory Plant of the Assam Sillimanite Limited into operation, the management of the said Refractory Plant was taken over, for a limited period by the Central Government under section 18AA of the Industries (Development and Regulation) Act, 1951(65 of 1951);

AND WHEREAS for the purpose of augmenting the supplies of refractories to meet the essential requirements of the iron and steel industry, it is necessary to acquire the right, title and interest of the Assam Sillimanite Limited in respect of its Refractory Plant;

BE it enacted by Parliament in the Twenty-seventh Year of the Republic of India as follows:--

CHAPTER I

PRELIMINARY

1. Short title

.- This Act may be called the Assam Sillimanite Limited (Acquisition and Transfer of Refractory Plant) Act, 1976.

2. Definitions

.- In this Act, unless the context otherwise requires,--

(a) "appointed day" means the day on which this Act comes into force;

(b) "Commissioner" means the Commissioner of Payments appointed under section 14;

(c) "Company" means the Assam Sillimanite Limited, being a company as defined in the Companies Act, 1956 and having its registered office at Gauhati in the State of Assam;

(d) "Refractory Plant" means the refractory manufacturing plant, owned by the Company, situated near Ramgarh in the State of Bihar;

(e) "specified date" means such date as the Central Government may, by notification in the Official Gazette, specify in relation to any provision of this Act and different dates may be specified in relation to different provisions of this Act;

(f) words and expressions used herein and not defined but defined in the Companies Act, 1956 have the meanings respectively assigned to them in that Act.

CHAPTER II

ACQUISITION OF THE REFRACTORY PLANT

3.Refractory Plant to vest in the Central Government

.- On the appointed day, the Refractory Plant shall, by virtue of this Act, stand transferred to, and the right, title and interest of the Company in relation to its Refractory Plant shall vest absolutely in, the Central Government.

4.Power of Central Government to direct vesting of the Refractory Plant in a Government company

.- (1) Notwithstanding anything contained in section 3, the Central Government may, if it is satisfied that a Government company is willing to comply, or has complied, with such terms and conditions as that Government may impose, direct, by an order in writing, that the right, title and interest of the Company in relation to the Refractory Plant shall, instead of continuing to vest in the Central Government, vest in the Government company either on the date of publication of the direction or on such earlier or later date (not being a date earlier than the appointed day) as may be specified in that direction.

(2) Where an order for vesting of the Refractory Plant in a Government company is made under sub-section (1), all the rights and obligations of the Central Government in relation to the Refractory Plant shall, on and from the date of such vesting, be deemed to have become the rights and obligations, respectively, of the Government company.

(3) The Government company shall, in the management and administration of the Refractory Plant, act in accordance with such directions, if any, as may be issued by the Central Government in this behalf.

(4) The Government company may also apply to the Central Government at any time for instructions as to the manner in which the management of the Refractory Plant shall be conducted or in relation to any matter arising in the course of such management.

5.General effect of vesting

.- (1) The Refractory Plant shall be deemed to include all assets, rights, powers, authorities and privileges and all property, movable and immovable (not being any mining lease held by the Company before the appointed day), cash balances, cash on hand, reserve funds, investments, book debts and all other rights and interests in, or arising out of, such property as were immediately before the appointed day, in the ownership, possession, power or control of the Company, whether within or outside India, and all books of account, registers and all other documents of whatever nature relating thereto and shall also be deemed to include the liabilities and obligations specified in sub-section (2) of section 8.

(2) All property as aforesaid which have vested in the Central Government under section 3 shall, by force of such vesting, be freed and discharged from any trust, obligation, mortgage, charge, lien and from all other encumbrances affecting it, and any attachment, injunction, or

decree or order of any court restricting the use of such property in any manner or appointing any receiver in respect of the whole or any part of such property shall be deemed to have been withdrawn.

(3) Every mortgage of any property which has vested under this Act in the Central Government and every person holding any charge, lien or other interest in or, in relation to, any such property shall give, within such time and in such manner as may be prescribed, an intimation to the Commissioner of such mortgage, charge, lien or other interest.

(4) For the removal of doubts, it is hereby declared that the mortgagee of any property referred to in sub-section (2) or any other person holding any charge, lien or other interest in, or in relation to, any such property shall be entitled to claim, in accordance with his rights and interests, payment of the mortgage money or other dues, in whole or in part, out of the amount specified in relation to such property in section 9, but no such mortgage, charge, lien or other interest shall be enforceable against any property which has vested in the Central Government or the Central Government.

(5) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to any matter specified in sub-section (2) of section 8, instituted or preferred against the Company is pending, the same shall not, in so far as it relates to the Refractory Plant, abate, be discontinued, or be, in any way, prejudicially affected by reason of transfer of the Refractory Plant or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the Central Government or the Government company, as the case may be.

6. Duty to deliver possession of the Refractory Plant and documents thereto

.- (1) Every person, in whose possession or custody or under whose control the Refractory Plant or any part thereof or any machinery, instrument or other movable asset forming part of the Refractory Plant, may be immediately before the appointed day, shall forthwith deliver possession of the Refractory Plant, or such part, machinery, instrument or other asset, as the case may be, to the Central Government or the Government company or to such person or body of persons as the Central Government or the Government company may specify in this behalf.

(2) Every person who has, on the appointed day, in his possession or under his control any books, documents or other papers relating to the Refractory Plant which has vested in the Central Government or a Government company under this Act, and which belong to the Company or would have so belonged if the Refractory Plant had not vested in the Central Government or the Government company, shall be liable to account for the said books, documents and other papers to the Central Government or the Government company, as the case may be, and shall deliver them up to the Central Government or the Government company or to such person or body of persons as the Central Government or the Government company may specify in this behalf.

(3) The Central Government may take or cause to be taken all necessary steps for securing possession of the Refractory Plant which has vested in it under section 3.

7. Duty to furnish particulars

.- The Company shall, within such period as the Central Government may allow in this behalf, furnish to that Government a complete inventory of all the properties and assets of the Company as on the appointed day, pertaining to the Refractory Plant which has vested in the Central Government under section 3, and for this purpose the Central Government or the Government company shall afford the Company all reasonable facilities.

8. Company to be liable for certain prior liabilities

.- (1) Every liability, other than the liability specified in sub-section (2), of the Company in

relation to the Refractory Plant, in respect of any period prior to the appointed day, shall be the liability of the Company and shall be enforced against it and not against the Central Government or the Government company.

(2) Any liability in respect of –

(a) the amounts advanced to the Company (after the management of the Refractory Plant had been taken over by the Central Government) by the Hindustan Steel Limited (a company formed and registered under the companies Act, 1956), together with interest due thereon;

(b) wages, salaries and other dues of employees of the Refractory Plant, in respect of any period after the management of such plant had been taken over by the Central Government,

shall, on and from the appointed day, be the liability of the Central Government and shall be discharged by that Government or, for and on behalf of that Government, by the Government company, as and when repayment of such amount becomes due or as and when such wages, salaries and other dues become due and payable.

(3) For the removal of doubts, it is hereby declared that,--

(a) save as otherwise expressly provided in this section or in any other section of this Act, no liability other than the liability specified in sub-section (2) in relation to the Refractory Plant, in respect of any period prior to the appointed day shall be enforceable against the Central Government or the Government company, as the case may be;

(b) no award, decree or order of any court, tribunal or other authority in relation to the Refractory Plant, passed after the appointed day in respect of any matter, claim or dispute in relation to any matter, not being a matter referred to in sub-section (2), which arose before that date, shall be enforceable against the Central Government or the Government company, as the case may be;

(c) no liability incurred by the Company before the appointed day, for the contravention, in relation to the Refractory Plant, of any provision of law for the time being in force, shall be enforceable against the Central Government or the Government company, as the case may be.

CHAPTER III

PAYMENT OF AMOUNT

9.Amount to be paid for transfer and vesting of Refractory Plant

.- (1) The Company shall be given by the Central Government in cash and in the manner specified in Chapter IV, an amount of one crore seven lakhs and seventeen thousand rupees for the transfer to, and vesting in, it, under section 3, of the Refractory Plant.

(2) The amount payable under sub-section (1) shall carry simple interest at the rate of four per cent, per annum for the period commencing on the appointed day and ending on the date on which payment of such amount is made by the Central Government to the Commissioner.

(3) For the removal of doubts, it is hereby declared that the liabilities of the Company in relation to the Refractory Plant, other than those referred to in sub-section (2) of section 8, shall be met from the amount referred to in sub-section (1), in accordance with the rights and interests of the creditors of the Company.

10.Payment of other amount

.- (1) In addition to the amounts specified in section 9, there shall also be given the Company, in cash, by the Central Government an amount computed at the rate of rupees two thousand and five hundred per mensem for the deprivation of the Company of the management of its Refractory Plant during the period commencing on the 2nd day of November, 1972, and ending on the appointed day.

(2) In addition to the amount referred to in sub-section (1), there shall be given by the Central Government, in cash, to the Company, simple interest at the rate of four per cent. per annum on the amount computed at the rate specified in sub-section (1), for the period commencing on the appointed day and ending on the date on which payment of such amount is made by the Central Government to the Commissioner.

CHAPTER IV

MANAGEMENT, ETC., OF REFRACTORY PLANT

11. Management, etc., of Refractory Plant

.- On the commencement of this Act, the general superintendence, direction control and management of the affairs and business of the Refractory Plant shall,

(a) where a direction has been made by the Central Government under section 4, vest in the Government company specified in such direction, or

(b) where no direction has been made, vest in such person or body of persons as may be appointed by the Central Government in this behalf,

and thereupon the Government company so specified or the person or body of persons so appointed, as the case may be, shall be entitled to exercise all such powers and do all such things as the Company is authorised to exercise and do in relation to the Refractory Plant.

CHAPTER V

PROVISIONS RELATING TO EMPLOYEES OF REFRACTORY PLANT

12. Employment of employees to continue

.- (1) Every person, who has been, immediately before the appointed day, employed by the Company, shall, if employed in connection with the Refractory Plant, become, as from the appointed day, an employee of the Central Government or the Government company in which the Refractory Plant has vested, as the case may be, and shall hold his office or service therein by the same tenure, on the same remuneration and upon the same terms and conditions and same rights and privileges as to pension and gratuity and other like matters as he would have held the same under the Company if the Refractory Plant had not vested in the Central Government or the Government company, and shall continue to do so unless and until his employment in Central Government or the Government company is duly terminated or until his remuneration, terms and conditions of employment are duly altered by the Central Government or the Government company, as the case may be.

(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 employee of the Company to the Central Government or the Government company shall not entitle such 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 terminated or whose services become transferred to the Central Government

or the Government company by reason of the provisions of this Act, is entitled to arrears of salary or wages or any payment for any leave not availed of or other payment, not being payment by way of gratuity or pension, such person may, except to the extent such liability has been taken over by the Central Government under sub-section (2) of section 8, enforce the claim against the Company but not against the Central Government or the Government company.

13. Provident and other funds

.- (1) Where the Company has established a provident fund, superannuation, welfare or other fund for the benefit of the persons employed in the Refractory Plant, the monies relatable to the employees whose services have become transferred by or under this Act to the Central Government or the Government company shall, out of the monies standing, on the appointed day, to the credit of such provident fund, superannuation, welfare or other fund, stand transferred to, and vested in, the Central Government or the Government company, as the case may be.

(2) The monies which stand transferred, under sub-section (1), to the Central Government or the Government company, shall be dealt with by that Government or Government company, as the case may be, in such matter as may be prescribed.

CHAPTER VI

COMMISSIONER OF PAYMENTS

14. Appointment of Commissioner of Payments

.- (1) For the purpose of disbursing the amount payable to the Company, the Central Government shall, by notification in the Official Gazette, appoint such person as it may think fit to be the Commissioner of Payments.

(2) The Central Government may appoint such other persons as it may think fit to assist the Commissioner and thereupon the Commissioner may authorise one or more of such persons also to exercise all or any of the powers exercisable by him under this Act, and different persons may be authorised to exercise different powers.

(3) Any person authorised by the Commissioner to exercise any powers may exercise those powers in the same manner and with the same effect as if they have been conferred on that person directly by this Act and not by way of authorisation.

(4) The salaries and allowances of the Commissioner and other persons appointed under this section shall be defrayed out of the Consolidated Fund of India.

15. Payment by the Central Government to the Commissioner

.- (1) The Central Government shall, within thirty days from the specified date, pay, in cash, to the Commissioner, for payment to the Company, an amount equal to the amount specified in section 9 and shall also pay to the Commissioner such amounts as may be payable to the Company under sub-section (1) and (2) of section 10.

(2) A deposit account shall be opened by the Central Government in favour of the Commissioner in Public Account of India, and every amount paid under this Act to the Commissioner shall be deposited by him to the credit of the said deposit account in the Public Account of India, and thereafter the said deposit account shall be operated by the Commissioner.

(3) Interest accruing on the amount standing to the credit of the deposit account referred to in sub-section (2) shall enure to the benefit of the Company.

16. Priority of claims in relation to arrears of provident fund, etc

.- (1) Out of the amount paid to him under sub-section (1) of section 15, the Commissioner shall deduct in the first instance, all sums equal to the amount of arrears due to the persons who were in employment of the Company, in connection with the Refractory Plant, on the 1st day of July, 1973,--

(a) in relation to a provident fund, pension fund or any other fund established for the welfare of such persons,

(b) as wages.

(2) All sums deducted under sub-section (1) shall, in accordance with such rules as may be made under this Act, be credited by the Commissioner to the relevant fund or paid by him to the persons to whom the said sums are due and on such credit or payment, the liability of the Company in respect of the amount of arrears due as aforesaid shall, to the extent of such credit or payment, stand discharged.

(3) Every deduction made under sub-section (1) shall have priority over all other debts, whether secured or unsecured.

17. Priority in relation to other claims

.- (1) Save as otherwise provided in section 16, every secured debt due from the Company shall have priority over all other debts and shall be paid in accordance with the rights and interests of the secured creditors:

Provided that where the secured debts are due to different creditors by reason of the hypothecation of different assets to them, such debts shall be repaid in full in accordance with the rights and interests of such creditors, unless the balance of the amount left after meeting the liabilities referred to in section 16 is insufficient to meet them, in which case they shall abate in equal proportions and be paid accordingly.

(2) Notwithstanding anything contained in any other law for the time being in force, there shall be paid in priority to all other unsecured debts,--

(a) all revenues, taxes, cesses, rates and any other dues payable immediately before the appointed day, to the Central Government, State Governments, local authorities and State Electricity Boards in relation to the Refractory Plant, as the case may be;

(b) all amounts due in respect of any compensation or liability for compensation under the Workmen's Compensation Act, 1923, in respect of the death or disablement of any employee of the Company in relation to the Refractory Plant, unless the Company has, under such a contract with insurers as is mentioned in section 14 of the said Act, rights capable of being transferred to, and vested in, the workmen;

(c) all sums deducted by the Company from the salary or wages of any employee of the Refractory Plant for credit to any provident fund or any other fund established for the welfare of the employees but not deposited to the credit of such funds.

(3) The debts specified in sub-section (2) shall rank equally among themselves and be paid in full, unless the balance of the amount left after meeting the liabilities referred to in section 16, and sub-section (1) of this section, is sufficient to meet them, in which case they shall abate in equal proportions and be paid accordingly.

18. Claims to be made to the Commissioner

.- Every person having a claim against the Company in relation to the Refractory Plant shall prefer such claim before the Commissioner within thirty days from the specified date:

Provided that if the Commissioner is satisfied that the claimant was prevented by sufficient cause from preferring the claim within the said period of thirty days, he may entertain the claim within a further period of thirty days, but not thereafter.

19. Proof or claims

.- (1) The Commissioner shall fix a certain date on or before which every claimant shall file the proof of his claim or be excluded from the benefit of the deductions or disbursements made by the Commissioner.

(2) Not less than fourteen days' notice of the date so fixed shall be given by advertisement in one issue of the daily newspaper in the English language and in one issue of such daily newspaper in the regional language as the Commissioner may consider suitable, and every such notice shall call upon the claimants to file the proof of their claims with the Commissioner within the time specified in the advertisement.

(3) Every claimant who fails to file the proof of his claim within the time specified by the Commissioner shall be excluded from the deductions or disbursements made by the Commissioner.

(4) The Commissioner shall, after such investigation as may, in his opinion, be necessary and after giving the Company an opportunity of refuting the claim and after giving the claimant a reasonable opportunity of being heard, in writing, admit or reject the claim in whole or in part.

(5) The Commissioner shall have the power to regulate his own procedure in all matters arising out of the discharge of his functions including the place or places at which he will hold his sittings and shall, for the purpose of making an investigation under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908(5 of 1908.), while trying a suit, in respect of the following matters, namely:--

(a) the summoning and enforcing the attendance of any witness and examining him on oath;

(b) the discovery and production of any document or other material object producible as evidence;

(c) the reception of evidence on affidavits;

(d) the issuing of any commission for the examination of witnesses.

(6) Any investigation before the Commissioner shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code (45 of 1860) and the Commissioner shall be deemed to be a civil court for the purpose of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973 (2 of 1974).

(7) A claimant who is dissatisfied with the decision of the Commissioner may prefer an appeal against the decision to the principle civil court of original jurisdiction within the local limits of whose jurisdiction the Refractory Plant is situated:

Provided that where a person who is a Judge of a High Court is appointed to be the Commissioner, such appeal shall lie to the High Court for the State in which Refractory Plant is situated, and such appeal shall be heard and disposed of by not less than two Judges of that High Court.

20. Disbursement of money by the Commissioner to claimants

.- Where, after meeting the claims admitted by him of secured creditors, and unsecured creditors having priority under sub-section (2) of section 17, the total amount of the claims of other unsecured creditors admitted by the Commissioner does not exceed the balance of the amount left after meeting the liabilities referred to in section 16, and sub-sections (1) and

(2) of section 17, every admitted claim of such other unsecured creditors, shall rank equally among themselves and be paid in full, and the balance, if any, shall be paid to the Company; but where such amount is insufficient to meet in full the total amount of such admitted claims, all such claims shall abate in equal proportions and be paid accordingly.

21. Undisbursed or unclaimed amount to be deposited to the general revenue account

.- Any money paid to the Commissioner which remains undisbursed or unclaimed for a period of three years from the first day on which the disbursement was made, shall be transferred by the Commissioner to the general revenue account of the Central Government; but a claim to any money so transferred may be preferred to the Central Government by the person entitled to such payment and shall be dealt with as if such transfer had not been made, the order, if any, for payment of the claim being treated as an order for the refund of the revenue.

CHAPTER VII MISCELLANEOUS

22. Penalties

.- Any person, who,--

- (a) having in his possession, custody or control any property forming part of the Refractory Plant, wrongfully withholds such property from the Central Government or the Government company, as the case may be; or
- (b) wrongfully obtains possession of, or retains any property forming part of the Refractory Plant or wilfully withholds or fails to furnish to the Central Government or the Government company or any person or body of persons specified by that Government or the Government company, as the case may be, any document relating to such Refractory Plant which may be in his possession, custody or control or fails to deliver to the Central Government or the Government company or any person or body of persons specified by that Government or the Government company any assets, books of account, registers or other documents in his custody or control, relating to the Refractory Plant; or
- (c) wrongfully removes or destroys any property forming part of the Refractory Plant or prefers any claim under this Act which he knows or has reasonable cause to believe to be false or grossly inaccurate,

shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to ten thousand rupees, or with both.

23. Offences by companies

.- (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager, secretary or other officer shall be liable to be proceeded against and punished

accordingly.

Explanation.—For the purposes of this section,—

- (a) "company" means any body corporate and includes a firm or other association of individuals;
- (b) "director", in relation to a firm, means a partner in the firm.

24. Act to have overriding effect

.- The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act, or in any decree or order of any court, tribunal or other authority.

25. Protection of action taken in good faith

.- (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or any of its officers or other employees for anything which is in good faith done or intended to be done under this Act.

(2) No suit or other legal proceeding shall lie against the Central Government or any of its officers or other employees for any damage caused or likely to be caused by anything which is in good faith done or intended to be done under this Act.

26. Contracts to cease to have effect unless ratified by the Central Government or Government company

.- (1) Every contract entered into by the Company in relation to the Refractory Plant for any service, sale or supply and in force immediately before the appointed day, shall, on and from the expiry of one hundred and eighty days from the appointed day, cease to have effect unless such contract is, before the expiry of that period, ratified, in writing, by the Central Government or the Government company, and, in ratifying such contract, the Central Government or the Government company may make such alteration or modification therein as it may think fit:

Provided that a Government company shall not make any alteration or modification in a contract without the previous approval of the Central Government:

Provided further that the Central Government or the Government company shall not omit to ratify a contract, and shall not make any alteration or modification in a contract, unless it is satisfied that such contract is unduly onerous or has been entered into in bad faith or is detrimental to the interests of the Refractory Plant.

(2) The Central Government or the Government company shall not omit to ratify a contract, and, shall not make any alteration or modification therein, except after giving to the parties to the contract a reasonable opportunity of being heard and except after recording, in writing, its reasons for refusal to ratify the contract or for making any alteration or modification therein.

27. Delegation of powers

.- (1) The Central Government may, by notification in the Official Gazette, direct that all or any of the powers exercisable by it under this Act may also be exercised by any person or persons as may be specified in the notification.

(2) Whenever any delegation of power is made under sub-section (1), the person to whom such power has been delegated shall act under the direction, control and supervision of the Central Government.

28. Power to make rules

.- (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

(2) In particular, and without prejudice to the generally of the foregoing power, such rules may provide for all or any of the following matters, namely:--

(a) the manner in which monies in any provident or other fund referred to in section 13 shall be dealt with;

(b) any other matter which is required to be, or may be, prescribed.

(3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under the rule.

29. Power to remove difficulties

.- If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, 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 appointed day.

30. Declaration as to the policy of the State

.- It is hereby declared that this Act is for giving effect to the policy of the State towards securing the principles specified in clause (b) of article 39 of the Constitution.

Explanation.—In this section, "State" has the same meaning as in article 12 of the Constitution.