

सत्यमेव जयते

The Hind Cycles Limited and Sen-Raleigh Limited (Nationalisation) Act, 1980

(ACT NO. 70 OF 1980)

(*As on the* 15*th July*, 2026)

AMENDING ACT

The *Jan Vishwas* (Amendment of Provisions) Act, 2026 (8 of 2026).

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LIST OF ABBREVIATIONS USED

Cl., cls.	*for*	Clause, clauses.
Ins.	,,	Inserted.
Notifn.	,,	Notification.
S., ss.	,,	Section, sections.
Sch.	,,	Schedule.
Subs.	,,	Substituted.
w.e.f.	,,	with effect from.

THE HIND CYCLES LIMITED AND SEN-RALEIGH LIMITED (NATIONALISATION) ACT, 1980

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title and commencement.
2. Definitions.

CHAPTER II

ACQUISITION OF THE UNDERTAKINGS OF THE TWO COMPANIES

3. Transfer to, and vesting in, the Central Government of the undertakings of the two companies.
4. General effect of vesting.
5. Owners of the two Companies to be liable for certain prior liabilities.
6. Power of Central Government to direct vesting of the undertakings of the two companies in two Government Companies.

CHAPTER III

PAYMENT OF AMOUNTS

7. Payment of amount.
8. Payment of further amounts.

CHAPTER IV

MANAGEMENT, ETC., OF THE UNDERTAKINGS OF THE TWO COMPANIES

9. Management, etc., of the undertakings of the two companies.
10. Duty of persons in charge of management of the undertakings of the two companies to deliver all assets, etc.
11. Duty of persons to account for assets, etc., in their possession.
12. Accounts and audit.

CHAPTER V

PROVISIONS RELATING TO EMPLOYEES OF THE TWO COMPANIES

13. Continuance of employees
14. Provident fund and other funds.

CHAPTER VI

COMMISSIONER OF PAYMENTS

15. Appointment of Commissioner of Payments.
16. Payment by Central Government to the Commissioner.
17. Certain powers of Central Government or Government companies.
18. Claims to be made to the Commissioner.
19. Priority of claims.
20. Examination of claims.
21. Admission or rejection of the claims.
22. Disbursement of money by the Commissioner.

IndiaCode

SECTIONS

23. Disbursement of amounts to the two companies.
24. Undisbursed or unclaimed amount to be deposited with the general revenue account.

CHAPTER VII

MISCELLANEOUS

25. Act to have overriding effect.
26. Contracts to cease to have effect unless ratified by Central Government or Government companies.
27. Penalties.
27A. Adjudication of penalties.
28. [*Omitted*.].
29. Protection of action taken in good faith.
30. Delegation of powers.
31. Power to make rules.
32. Power to remove difficulties.
33. Repeal and saving.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE THIRD SCHEDULE.

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THE HIND CYCLES LIMITED AND SEN-RALEIGH LIMITED (NATIONALISATION) ACT, 1980

ACT NO. 70 OF 1980

[27*th December*, 1980.]

An Act to provide for the acquisition of the undertakings of the Hind Cycles Limited, and Sen-Raleigh Limited, with a view to securing the proper management of such undertakings so as to subserve the interests of the general public by ensuring the continued manufacture, production and distribution of bicycles and their component parts and accessories which are essential to the needs of the economy of the country and for matters connected therewith or incidental thereto.

WHEREAS Hind Cycles Limited and Sen-Raleigh Limited had been engaged in the manufacture production of articles mentioned in the First Schedule to the Industries (Development and Regulation) Act, 1951(65 of 1951), namely, bicycle and their component parts and accessories;

AND WHEAREAS the management of the undertakings of Hind Cycles Limited and Sen-Raleigh Limited were taken over by the Central Government under the provisions of the Industries (Development and Regulation) Act, 1951(65 of 1951);

AND WHEAREAS it is necessary to acquire the undertakings of Hind Cycles Limited and Sen-Raleigh Limited to ensure that the interests of the general public are served by the continuance, by the undertakings of the two companies, of the manufacture, production and distribution of the aforesaid articles which are essential to the needs of the economy of the country;

BE it enacted by Parliament in the Thirty-first Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title and commencement.—(*1*) This Act may be called the Hind Cycles Limited and Sen-Raleigh Limited (Nationalisation) Act, 1980.

(*2*) It shall be deemed to have come into force on the 15th day of October, 1980.

2. Definitions.—In this Act, unless the context otherwise requires,—

(*a*) "appointed day" means the 15th day of October, 1980;

(*b*) "Commissioner" means the Commissioner of Payments appointed under section 15;

(*c*) "Custodian" means the Custodian appointed under sub-section (*2*) of section 9 to take over, or carry on, the management of the undertakings of either, or both, of the two companies;

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

(*e*) "prescribed" means prescribed by rules made under this Act;

(*f*) "Sen-Raleigh Limited" includes Sen and Pandit Industries Limited, Ancillary Industries (Lugs) Private Limited, Ancillary Industries (Forgings) Private Limited, Ancillary Industries (Cranks) Private Limited and Naokhali Machine Tools Limited, all having their registered offices at 1, Middeton Street, Calcutta;

(*g*) "specified date", in relation to any provision of this Act, means such date as the Central Government may, by notification, specify for the purposes of that provision and different dates may be specified for different provisions of this Act;

(*h*) "two companies" means Hind Cycles Limited and Sen-Raleigh Limited, being companies as defined in the Companies Act, 1956 (1 of 1956), and having their registered offices at Birlagram, Nagda (Madhya Pradesh), and 1, Middleton Street, Calcutta, respectively;

(*i*) words and expressions used herein and not defined but defined in the Companies Act, 1956 (1 of 1956), shall have the meanings respectively assigned to them in that Act.

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CHAPTER II

ACQUISITION OF THE UNDERTAKINGS OF THE TWO COMPANIES

3. Transfer to, and vesting in, the Central Government of the undertakings of the two companies.—On the appointed day, the undertakings of each of the two companies, and the right, title and interest of each of the two companies in relation to such undertakings, shall, by virtue of this Act, stand transferred to, and shall vest in, the Central Government.

4. General effect of vesting.—(*1*) The undertakings of each company referred to in section 3 shall be deemed to include all assets, rights, lease-holds, powers, authorities and privileges, and all property, movable and immovable, including lands, buildings, workshops, stores, instruments, machinery and equipment, cash balances, cash on hand, cheques, demand drafts, 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 such 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 specified in sub-section (*2*) of section 5.

(*2*) All properties 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 all other encumbrances affecting them, and any attachment, injunction, decree or order of any court restricting the use of such properties in any manner or appointing any receiver in respect of the whole or any part of such properties shall be deemed to have been withdrawn.

(*3*) Every mortgagee 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 (*3*) 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 the company owning such property, in the First Schedule, and also out of the amounts determined under section 8, but no such mortgage, charge, lien or other interest shall be enforceable against any property which has vested in the Central Government.

(*5*) Any licence or other instrument granted to either of the two companies in relation to any undertaking which has vested in the Central Government under section 3 at any time before the appointed day and in force immediately before that day shall continue to be in force on and after such day in accordance with its tenor in relation to and for the purposes of such undertaking, and, on and from the date of vesting of such undertaking under section 6 in a Government company, such Government company shall be deemed to be substituted in such licence or other instrument as if such licence or other instrument had been granted to such Government company and such Government company shall hold it for the remainder of the period for which the company to which it was granted would have held it under the terms thereof.

(*6*) 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 5, in respect of any undertaking of either of the two companies, instituted or preferred by or against either of the two companies, is pending, the same shall not abate, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertakings of either of the two companies or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted or enforced by or against the Central Government, or, where the undertakings of the two companies are directed, under section 6, to vest in Government Companies, by or against the concerned Government company.

5. Owners of the two Companies to be liable for certain prior liabilities.—(*1*) Every liability, other than the liability specified in sub-section (*2*), of each of the two companies in respect of any period

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prior to the appointed day, shall be the liability of the concerned company and shall be enforceable against it and not against the Central Government, or, where the undertakings of the two companies are directed, under section 6, to vest in Government companies, against the concerned Government company.

(*2*) Any liability arising in respect of materials supplied to either of the two companies after the management of the undertakings of the Company had been taken over by the Central Government shall, on and from the appointed day, be the liability of the Central Government or of the concerned Government company aforesaid, and shall be discharged by that Government or Government Company, as and when repayment for such supplies becomes 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 provision of this Act, no liability, other than the liability specified in sub-section (*2*), of either of the two companies in relation to its undertakings in respect of any period prior to the appointed day, shall be enforceable against the Central Government, or, where the undertakings of the two companies are directed, under section 6, to vest in Government companies, against the concerned Government company;

(*b*) no award, decree or order of any court, tribunal or other authority in relation to the undertakings of either of the two companies, passed on or after the appointed day, in respect of any matter, claim or dispute, not being a matter, claim or dispute in relation to any matter referred to in sub-section (*2*), which arose before that day, shall be enforceable against the Central Government, or, where the undertakings of the two companies are directed, under section 6, to vest in Government companies, against the concerned Government company;

(*c*) no liability incurred by either of the two companies before the appointed day, for the contravention of any provision of law for the time being in force, shall be enforceable against the Central Government, or, where the undertakings of the two companies are directed, under section 6, to vest in Government companies, against the concerned Government company.

6. Power of Central Government to direct vesting of the undertakings of the two Companies in two Government Companies.—(*1*) Notwithstanding anything contained in sections 3 and 4, the Central Government may, subject to such terms and conditions as it may think fit to impose, direct, by notification, that each of the undertakings of the two companies and the right, title and interest of each of the two companies in relation to their respective undertakings which have vested in that Government under section 3, and such of the liabilities of each of the two companies as are specified in sub-section (*2*) of section 5, shall, instead of continuing to vest in the Central Government, vest in two Government companies either on the date of the notification or on such earlier or later date (not being a date earlier than the appointed day) as may be specified in the notification.

(*2*) Where the right, title and interest, and the liabilities referred to in sub-section (*2*) of section 5, of each of the two companies, in relation to its undertakings, vest in two Government companies under sub-section (*1*), the Government companies shall, on and from the date of such vesting, be deemed to have become the owners in relation to such undertakings, and all the rights and liabilities of the Central Government in relation to such undertakings shall, on and from the date of such vesting, be deemed to have become the rights and liabilities, respectively, of the Government companies.

CHAPTER III

PAYMENT OF AMOUNTS

7. Payment of amount.—For the transfer to, and vesting in, the Central Government, under section 3, of the undertakings of each of the two companies and the right, title and interest of each of the two companies in relation to such undertakings, there shall be given by the Central Government to each of the companies, in cash and in the manner specified in Chapter VI, an amount equal to the amount specified against the name of such company in the First Schedule.

8. Payment of further amounts.—(*1*) For the deprivation of the two companies of the management of their undertakings, there shall be given by the Central Government to each of the companies in cash, an amount calculated at the rate specified against the name of such company in the Second Schedule for the

period commencing on the date on which the management of the undertakings of such company was taken over in pursuance of the orders made by the Central Government under the provisions of the Industries (Development and Regulation) Act, 1951(65 of 1951) and ending on the appointed day.

(*2*) The amount specified in section 7 and the amount calculated in accordance with the provisions of 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*) The amounts determined in accordance with the provisions of sub-sections (*1*) and (*2*) shall be given by the Central Government to the two companies in addition to the amount specified in the First Schedule.

CHAPTER IV

MANAGEMENT, ETC., OF THE UNDERTAKINGS OF THE TWO COMPANIES

9. Management, etc., of the undertakings of the two companies.—The general superintendence, direction, control and management of the affairs and business of the undertakings of each of the two companies, the right, title and interest in relation to which have vested in the Central Government under section 3, shall,—

(*a*) where a direction has been made by the Central Government under sub-section (*1*) of section 6, vest in the Government company specified in such direction; or

(*b*) where no such direction has been made by the Central Government, vest in one or more Custodians appointed by the Central Government under sub-section (*2*),

and thereupon the Government company so specified or the Custodian or Custodians so appointed, as the case may be, shall be entitled to exercise, to the exclusion of all other persons, all such powers and do all such things as either, or both, of the two companies is, or are, authorised to exercise and do in relation to its or their undertakings.

(*2*) The Central Government may appoint one or more individuals or a Government company as the Custodian or Custodians of the undertakings of either, or both, of the two companies in relation to which no direction has been made by it under sub-section (*1*) of section 6.

(*3*) The Custodian or Custodians so appointed shall receive, from the funds of the undertakings of the two companies, such remuneration as the Central Government may fix and shall hold office during the pleasure of the Central Government.

10. Duty of persons in charge of management of the undertakings of the two companies to deliver all assets, etc.—(*1*) On the vesting of the management of the undertakings of the two companies in Government companies or on the appointment of a Custodian or Custodians, all persons in charge of the management of the undertakings of either of the two companies immediately before such vesting or appointment, shall be bound to deliver to the concerned Government company or the Custodian or Custodians, as the case may be, all assets, books of account, registers or other documents in their custody relating to the undertakings.

(*2*) The Central Government may issue such directions as it may deem desirable in the circumstances of the case to the Government companies or the Custodian or Custodians, and such Government companies or the Custodian or Custodians may also, if it is considered necessary so to do, apply to the Central Government at any time for instructions as to the manner in which the management of the undertakings of the two companies shall be conducted or in relation to any other matter arising in the course of such management.

11. Duty of persons to account for assets, etc., in their possession.—(*1*) Any person who has, on the appointed day, in his possession or under his control any assets, books, documents or other papers relating to any undertaking owned by the two companies, which have vested in the Central Government or in Government companies under this Act, and which belong to the two companies, or would have so belonged, if the undertakings owned by the two companies had not vested in the Central Government or such Government companies, shall be liable to account for the said assets, books, documents and other

papers to the Central Government or the Government companies and shall deliver them up to the Central Government or such Government companies or to such person or persons as the Central Government or the concerned Government company may specify in this behalf.

(*2*) The Central Government or the Government companies aforesaid may take or cause to be taken all necessary steps for securing possession of the undertakings of the two companies which have vested in the Central Government or the Government companies under this Act.

(*3*) The two companies shall within such period as the Central Government may allow in this behalf, furnish to that Government a complete inventory of all their properties and assets, as on the appointed day, pertaining to the undertakings which have vested in the Central Government under section 3, and, for this purpose, the Central Government or the Government companies aforesaid shall afford to the two companies all reasonable facilities.

12. Accounts and audit.—The Custodian or Custodians of the undertakings of either, or both, of the two companies shall maintain an account of the undertakings of the concerned company or companies in such form and manner and under such conditions as may be prescribed and the provisions of the Companies Act, 1956 (1 of 1956), shall apply to the audit of the accounts so maintained as they apply to the audit of the accounts of a company.

CHAPTER V

PROVISIONS RELATING TO EMPLOYEES OF THE TWO COMPANIES

13. Continuance of employees.—(*1*) Every person who has been, immediately before the appointed day, employed in any undertaking of either of the two companies shall become,—

(*a*) on and from the appointed day, an employee of the Central Government, and

(*b*) where the undertakings of the two companies are directed, under sub-section (*1*) of section 6, to vest in Government Companies, an employee of the concerned Government company on and from the date of such vesting or transfer,

and shall hold office or service under the Central Government or the concerned Government company, as the case may be, with the same rights and privileges as 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 Central Government or the concerned Government company, as the case may be, is duly terminated or until his remuneration and other conditions of service are duly altered by the Central Government or the Concerned 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 officer or other person employed in any undertaking of either of the two companies, to the Central Government or a Government company shall not entitle such officer or other employee to any compensation under this Act or any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

14. Provident fund and other funds.—(*1*) Where either of the two companies has established a provident fund, superannuation, welfare or other fund for the benefit of the persons employed in any of its undertakings, the moneys relatable to the officers or other employees whose services have become transferred by or under this Act to the Central Government or a Government company shall, out of the moneys standing, on the appointed day, to the credit of such provident fund, superannuation, welfare or other fund, stand transferred to, and vest in, the Central Government or the concerned Government company, as the case may be.

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

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CHAPTER VI

COMMISSIONER OF PAYMENTS

15. Appointment of Commissioner of Payments.—(*1*) The Central Government shall, for the purpose of disbursing the amounts payable under sections 7 and 8 to each of the two companies, by notification, appoint a 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 of the powers exercisable by the Commissioner 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.

16. Payment by 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 each of the two companies,—

(*a*) an amount equal to the amount specified against the name of such company in the First Schedule; and

(*b*) an amount equal to the amount payable to each of the two companies under section 8.

(*2*) A deposit account shall be opened by the Central Government in favour of the Commissioner in the 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 and the said deposit account shall be operated by the Commissioner.

(*3*) Separate records shall be maintained by the Commissioner in respect of the undertakings of each of the two companies in relation to which payments have been made to him under this Act.

(*4*) 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 two companies.

17. Certain powers of Central Government or Government companies.—(*1*) The Central Government or the concerned Government company, as the case may be, shall be entitled to receive, up to the specified date, to the exclusion of all other persons, any money due to either of the two companies in relation to the undertakings which have vested in the Central Government or the Government company and realised after the appointed day, notwithstanding that the realisation pertains to a period prior to the appointed day.

(*2*) The Central Government or the concerned Government company, as the case may be, may make a claim to the Commissioner with regard to every payment made by that Government or Government company after the appointed day, for discharging any liability of either of the two companies, not being any liability specified in sub-section (*2*) of section 5, in relation to any period prior to the appointed day, and every such claim shall have priority, in accordance with the priorities attaching, under this Act, to the matter in relation to which such liability has been discharged by the Central Government or the Government company.

(*3*) Save as otherwise provided in this Act, the liabilities of either of the two companies in respect of any transaction prior to the appointed day which have not been discharged on or before the specified date shall be the liabilities of the respective company.

18. Claims to be made to the Commissioner.—Every person having a claim against either of the two companies with regard to any of the matters specified in the Third Schedule pertaining to any undertaking owned by it shall prefer such claim before the Commissioner within thirty days from the specified date:

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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. Priority of claims.—The claims made under section 18 shall have priorities in accordance with the following principles, namely:—

(*a*) Category I shall have precedence over all other categories and Category II shall have precedence over Category III, and so on;

(*b*) the claims specified in each of the categories shall rank equally and be paid in full, but, if the amount is insufficient to meet such claims in full, they shall abate in equal proportions and be paid accordingly; and

(*c*) the question of discharging any liability with regard to a matter specified in a lower category shall arise only if a surplus is left after meeting all the liabilities specified in the immediately higher category.

20. Examination of claims.—(*1*) On receipt of the claims made under section 18, the Commissioner shall arrange the claims in the order of priorities specified in the Third Schedule and examine the same in accordance with such order.

(*2*) If, on examination of the claims, the Commissioner is of opinion that the amount paid to him under this Act is not sufficient to meet the liabilities specified in any lower category, he shall not be required to examine the claims in respect of such lower category.

21. Admission or rejection of claims.—(*1*) After examining the claims with reference to the priorities specified in the Third Schedule, the Commissioner shall fix a date on or before which every claimant shall file the proof of his claim.

(*2*) Not less than 'fourteen days' notice of the date so fixed shall be given by advertisement in one issue of any daily newspaper in the English language having circulation in the major part of the country and in one issue of any daily newspaper in such regional language as the Commissioner may consider suitable, and every such notice shall call upon the claimant to file the proof of his claim with the Commissioner within the period specified in the advertisement.

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

(*4*) The commissioner shall, after such investigation as may, in his opinion, be necessary and after giving the concerned company an opportunity of refuting the claim and after giving the claimant a reasonable opportunity of being heard, by order 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 may hold his sitting and shall, for the purpose of making any 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 purposes of section 195, and Chapter XXVI, of the Code of Criminal Procedure, 1973 (2 of 1974).

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(*7*) A claimant who is dissatisfied with the decision of the Commissioner, may prefer an appeal against such decision to the principal civil court of original jurisdiction within the local limits of whose jurisdiction the registered office of the concerned company 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 exercising jurisdiction over the place in which the registered office of the concerned company is situated and such appeal shall be heard and disposed of by not less than two Judges of that High Court.

22. Disbursement of money by the Commissioner.—After admitting a claim under this Act, the amount due in respect of such claim shall be paid by the Commissioner to the person or persons to whom such amount is due, and on such payment, the liability of each of the two companies in respect of such claim shall stand discharged.

23. Disbursement of amounts to the two companies.—(*1*) If, out of the moneys paid to him in relation to the undertakings of either of the two companies, there is a balance left after meeting the liabilities as specified in the Third Schedule, the Commissioner shall disburse such balance to the concerned company.

(*2*) Where the possession of any machinery, equipment or other property has vested in the Central Government or a Government company under this Act, but such machinery, equipment or other property does not belong to either of the two companies, it shall be lawful for the Central Government or the concerned Government company, to continue to possess such machinery or equipment or other property on the same terms and conditions under which they were possessed by either of the companies immediately before the appointed day.

24. Undisbursed or unclaimed amount to be deposited with the general revenue account.—Any money paid to the Commissioner which remains undisbursed or unclaimed on the date immediately preceding the date on which the office of the Commissioner is finally wound up, shall be transferred by the Commissioner, before his office is finally wound up, 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, and the order, if any, for the payment of the claim being treated as an order for the refund of revenue.

CHAPTER VII

MISCELLANEOUS

25. Act to have overriding effect.—The provisions of this Act shall have effect notwithstanding anything inconsistent therewith 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.

26. Contracts to cease to have effect unless ratified by Central Government or Government companies.—Every contract entered into by either of the two companies in relation to any of its undertakings which has vested in the Central Government under section 3 for any service, sale or supply, and in force immediately before the appointed day, shall, on and from the expiry of a period of thirty 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 concerned, in which such undertaking has been vested under this Act and in ratifying such contract, the Central Government or such Government company may make such alteration or modification therein as it may think fit:

Provided that the Central Government or the such Government company shall not omit to ratify a contract and shall not make any alteration or modification in a contract—

(*a*) 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 Central Government or such Government company; and

(*b*) except after giving 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. Penalties.—Any person who,—

(*a*) having in his possession, custody or control any property forming part of any undertaking of either of the two companies, wrongfully withholds such property from the Central Government or the Government company concerned; or

(*b*) wrongfully obtains possession of or retains, any property forming part of any undertaking of either of the two companies; or

(*c*) wilfully withholds or fails to furnish to the Central Government or the Government company concerned or any person or body of persons specified by that Government or such Government company, any document relating to such undertaking, which may be in his possession, custody or control; or

(*d*) fails to deliver to the Central Government or the Government company concerned or any person or body of persons specified by that Government or Government company, any assets, books of account, registers or other documents in his possession, custody or control, relating to the undertakings of either of the two companies; or

(*e*) wrongfully removes or destroys any property forming part of any undertaking of either of the two companies or prefers any claim which he knows or has reason to believe to be false or grossly inaccurate,

[1][shall be liable to penalty which may extend to one lakh and twenty-five thousand rupees].

[2][**27A. Adjudication of penalties.**—(*1*) For the purpose of adjudicating penalties under section 27, the Central Government shall appoint an officer not below the rank of Deputy Secretary to the Government of India as an adjudicating officer for holding an inquiry and imposing penalties in such manner as may be prescribed:

Provided that the Central Government may appoint as many adjudicating officers as may be required:

Provided further that no such penalty shall be imposed without giving the person concerned a reasonable opportunity of being heard.

(*2*) Whoever is aggrieved by an order of the adjudicating officer under sub-section (*1*) may, within thirty days from the receipt of such order, prefer an appeal to such officer not below the rank of Joint Secretary to the Government of India, as may be appointed by the Central Government as an appellate authority, in such form and manner as may be prescribed.

(*3*) The appellate authority may admit an appeal after the expiry of the said period of thirty days, if the appellant satisfies the appellate authority that he had sufficient cause for not preferring the appeal within that period.

(*4*) The appellate authority may, after giving the parties to the appeal an opportunity of being heard, pass such an order as he may deem fit.

(*5*) An appeal under sub-section (*2*) shall be disposed of within sixty days from the date of filing.

(*6*) If penalty imposed by the adjudicating officer under sub-section (*1*) or by an order of the appellate authority under sub-section (*4*), as the case may be, is not deposited, the amount shall be recovered as an arrear of land revenue.]

28. [*Offences by companies*.] *Omitted by The Jan Vishwas* (*Amendment of Provisions*) *Act*, 2026 (8 *of* 2026) *s*. 2 *and Sch*., (*w.e.f.* 15-7-2026).

29. Protection of action taken in good faith.—(*1*) No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer of that Government or the Custodian or the Government

1. Subs. by Act 8 of 2026, s. 2 and Sch., for long line (w.e.f. 15-7-2026).
2. Ins. by s. 2 and Sch., *ibid*. (w.e.f. 15-7-2026).

companies or other person authorised by that Government or Government companies 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 or the Custodian or the Government companies or any officer or other person authorised by those companies 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.

30. Delegation of powers.—(*1*) The Central Government may, by notification, direct that all or any of the powers exercisable by it under this Act, other than the powers conferred by this section and sections 31 and 32 may also be exercised by such 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.

31. Power to make rules.—(*1*) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

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

(*a*) the time within which, and the manner in which, an intimation referred to in sub-section (*3*) of section 4 shall be given;

(*b*) the form and manner in which, and the conditions under which, the Custodian or Custodians shall maintain the accounts as required by section 12;

(*c*) the manner in which the moneys in any provident fund or other fund, referred to in section 14, shall be dealt with;

[1][(*ca*) the manner of holding an inquiry and imposing penalties under sub-section (*1*) of section 27A;

(*cb*) the form and manner of preferring appeal to the appellate authority against the order of adjudicating officer under sub-section (*2*) of section 27A;]

(*d*) 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 that rule.

32. 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.

33. Repeal and saving.—(*1*) The Hind Cycles Limited and Sen-Raleigh Limited (Nationalisation) Ordinance, 1980 (16 of 1980), is hereby repealed.

(*2*) Notwithstanding such repeal, anything done or any action taken under the Ordinance so repealed shall be deemed to have been done or taken under the corresponding provisions of this Act.

1. Ins. by Act 8 of 2026, s. 2 and Sch. (w.e.f. 15-7-2026).

THE FIRST SCHEDULE

[*See* sections 4(*4*), 7, 8(*3*) and 16(*1*)(*a*)]

Sl. No	Name of the Company	Amount (Rupees in lakhs)
1.	Hind Cycles Limited	241.47
2.	Sen-Raleigh Limited	708.00
3.	Sen and Pandit Industries Limited	23.96
4.	Ancillary Industries (Lugs) Private Limited	1.31
5.	Ancillary Industries (Forgings) Private Limited	1.44
6.	Ancillary Industries (Cranks) Private Limited	2.33
7.	Naokhali Machine Tools Limited	2.87

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THE SECOND SCHEDULE

[*See* section 8(*1*)]

Sl. No	Name of the Company	Rate per annum (Rupees)
1.	Hind Cycles Limited	8,000
2.	Sen-Raleigh Limited	8,000
3.	Sen and Pandit Industries Limited	500
4.	Ancillary Industries (Lugs) Private Limited	500
5.	Ancillary Industries (Forgings) Private Limited	500
6.	Ancillary Industries (Cranks) Private Limited	500

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THE THIRD SCHEDULE

[*See* sections 18, 20 (*1*), 21(*1*) and 23 (*1*)]

ORDER OF PRIORITIES FOR THE DISCHARGE OF LIABILITIES OF THE TWO COMPANIES

Post-take-over management period

Category I—

(*a*) Wages, salaries and other dues payable to the employees of the companies.

(*b*) Deductions made from the salaries and wages of the employees for provident fund, the Employees' State Insurance Fund, premium relating to the Life Insurance Corporation of India or for any other purpose.

Category II—

Principal amount of loans advanced by—

(*i*) the Central Government;

(*ii*) a State Government;

(*iii*) Banks and financial institutions;

(*iv*) any other sources.

Category III—

(*a*) Arrears in relation to contributions to be made by the companies to provident fund, the Employees' State Insurance Fund or under any other law for the time being in force providing for such contributions.

(*b*) Any credits availed of by the companies for the purpose of carrying on any trading or manufacturing operations, other than those specified in sub-section (*2*) of section 5.

(*c*) Any dues of State Electricity Boards or other Government or semi-Government institutions against supply of goods or services, other than those specified in sub-section (*2*) of section 5.

(*d*) Arrears of interest on loans and advances.

Category IV—

(*a*) Revenue, taxes, cesses, rates or other dues to the Central Government, a State Government or any local authority.

(*b*) Any other dues.

Pre-take-over management period

Category V—

(*a*) Wages, salaries and other dues payable to the employees of the companies.

(*b*) Deductions made from the salaries and wages of the employees for provident fund, the Employees' State Insurance Fund, premium relating to the Life Insurance Corporation of India or for any other purpose.

Category VI—

(*a*) Principal amount of secured loans advanced by—

(*i*) the Central Government;

(*ii*) a State Government;

(*iii*) Banks and financial institutions.

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(*b*) Arrears in relation to contributions to be made by the companies to provident fund, the Employees' State Insurance Fund or under any other law for the time being in force providing for such contributions.

Category VII—

Principal amount of unsecured loans advanced by—

(*i*) the Central Government;

(*ii*) a State Government;

(*iii*) Banks and financial institutions.

Category VIII—

(*a*) Any credits availed of by the companies for the purpose of carrying on any trading or manufacturing operations.

(*b*) Any dues of State Electricity Boards or other Government and semi-Government institutions against supply of goods or services.

(*c*) Arrears of interest on loans and advances.

(*d*) Revenue, taxes, cesses, rates or other dues to the Central Government, a State Government or any local authority.

(*e*) Any other loans or dues.

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STATEMENT OF OBJECTS AND REASONs

The Hind Cycles Limited and Sen-Raleigh Limited have been engaged in the manufacture and production of bicycles and their component parts and accessories for more than two decades and they have developed a good brand image and adequate consumer acceptance for their products. These two companies account for a total annual capacity of more than ten lakes of bicycles. However, as there had been a steady fall in production and the companies continued to incure cash losses the management of the two units of Hind Cycles Limited and Sen-Raleigh Limited, along with its associate and subsidiary units, was taken over by the Central Government under the provisions of the Industries (Development and Regulation) Act, 1951, in January 1974 and September 1975 respectively.

2. Though nationalised banks and public financial institutions have been advancing large amounts of money, the companies were facing acute shortage of liquid funds for their working capital requirements. Funds were also required for modernisation of the plant and machinery of the two companies. But pending nationalisation of these two companies, it was not possible for Government to invest any more money in these companies. Studies made of the financial condition of the companies revealed that the companies were not fit for reconstruction as the capital base had been eroded many times over and the companies could be re-started with unencumbered assets only after total elimination of the external liabilities through a process of nationalisation. It was also felt that it would not be appropriate in the public interest to allow these units to close down as between the two companies they accounted for about one-sixth of the total production of bicycle in the country. Closure of the units also would have thrown out of employment a labour force of over six thousand. In view of this, it was decided to acquire the under-taking of the two companies so that fresh capital could be invested by Government. The Hind Cycles Limited and Sen-Raleigh Limited (Nationalisatian) Ordinance, 1980 (16 of 1980) was, therefore, promulgated by the President on the 15th October, 1980.

3. The said Ordinance, apart from providing for the acquisition and transfer of the undertakings of the two companies, provided for the payment of an amount for such acquisition, vesting of the undertakings of the companies in two Government companies, appointment of a Commissioner of Payments for the purposes of disbursing the amounts payable to the companies, and for other incidental and consequential matters.

4. The Bill seeks to replace the aforesaid Ordinance.

NEW DELHI; CHARANJIT CHANANA.

The 13*th November,* 1980.

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