

ACT No. VI OF 1887.

PASSED BY THE GOVERNOR GENERAL OF INDIA IN COUNCIL.

(Received the assent of the Governor General on the 11th
February, 1887.)

An Act to amend the Indian Companies Act, 1882.

VI of 1882.

WHEREAS it is expedient to amend the Indian Companies Act, 1882, in manner hereinafter appearing; It is hereby enacted as follows:—

VI of 1882.

1. After section 200 of the Indian Companies Act, 1882, the following section shall be inserted, namely:—

Insertion of new section after section 200.

“ 200A. (1) In the distribution of the assets of any company being wound up under this Act, there shall be paid in priority to all other debts—

Priority of debts.

“(a) all revenue, taxes, cesses and rates, whether payable to Her Majesty or to a local authority, due from the company at the date of the commencement of the winding-up, and having become due and payable within the twelve months next before that date;

“(b) all wages or salary of any clerk or servant in respect of services rendered to the company within the two months next before the commencement of the winding-up, not exceeding one thousand rupees for each clerk or servant; and

“(c) all wages of any labourer or workman, not exceeding five hundred rupees for each, whether payable for time or piece-work,

in

[Price, one anna and three pies.]

in respect of services rendered to the company within the two months next before the commencement of the winding-up.

“(2) The foregoing debts shall rank equally among themselves, and shall be paid in full, unless the assets of the company are insufficient to meet them, in which case they shall abate in equal proportions among themselves.

“(3) Subject to the retention of such sums as may be necessary for the cost of administration or otherwise, the liquidator or official liquidator shall discharge the foregoing debts forthwith, so far as the assets of the company are and will be sufficient to meet them, as and when the assets come into the hands of the liquidator or official liquidator.”