

THE COMPANIES (AMENDMENT) ACT, 1969

No. 17 OF 1969

[28th May, 1969]

An Act further to amend the Companies Act, 1956.

BE it enacted by Parliament in the Twentieth Year of the Republic of India as follows:—

1. This Act may be called the Companies (Amendment) Act, 1969.

Short title.

2. In this Act, unless the context otherwise requires, "appointed day" means the 3rd day of April, 1970.

Definition.

*(4000)*  
1 of 1956. ~~3. For section 293A of the Companies Act, 1956 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:—~~

Substitution of section 293A.

"293A. (1) Notwithstanding anything contained in any other provision of this Act, neither a company in general meeting nor its Board of directors shall, after the commencement of the Companies (Amendment) Act, 1969, contribute any amount or amounts—

Prohibition regarding making of political contributions.

(a) to any political party, or

(b) for any political purpose to any individual or body.

(2) If a company contravenes the provisions of sub-section (1), then—

(i) the company shall be punishable with fine which may extend to five thousand rupees; and

(ii) every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to fine."

4. After section 324 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 324A.

"324A. (1) Notwithstanding anything contained in any other provision of this Act or in the memorandum or articles of association or in any contract to the contrary, where any company has, on the 3rd day of April, 1970, a managing agent or secretaries and treasurers, the term of office of such managing agent or, as the case may be, the secretaries and treasurers shall expire, if it does not expire earlier, on that date.

Abolition of managing agencies and secretaries and treasurers.

*Rep. by Act 56 of 1979, s. 2 sch. I.*

(2) No company shall appoint or re-appoint any managing agent or secretaries and treasurers on or after the 3rd day of April 1970."

Amend-  
ment of  
section  
365.

5. In section 365 of the principal Act, in clause (c), after the word and figures "~~section 324,~~" the figures and letter "~~324A,~~" shall be inserted.

Cesser of  
certain  
provi-  
sions  
of the  
Act.

6. On and from the appointed day, so much of the provisions of the principal Act as relate to managing agents and secretaries and treasurers shall cease to have effect except as respects things done or omitted to be done under those provisions before such cesser.