

FOOTNOTES

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1. Economic Development and Democracy, H.H. Gunnar
Heckscher Eastern Economist May 6, 1966.
 2. A.I.R. 1951 Allahabad 257
 3. A.I.R. 1952 S.C. 252
 4. 1952 S.C.R. 889
 5. Especially Art. 38 which runs as "the State shall
strive to promote the welfare of the people by
securing and protecting as effectively as it may a
social order in which Justice, social economic
and political shall inform all the institutions of
the national life.
 - 5A. Economic Development and Democracy H.H. Gunnar
Heckscher Eastern Economist May 6, 1966.
 6. The Indian Companies Act 1956 as amended from
time to time.
 7. Solomon vs. Solomon & Co. 1897 Act 22.
 8. A.I.R. 1966 S.C. 1393 (47).
 9. Unless the articles of the company provide for a
larger number, five members personally present in
the case of a public company (other than a public
company which has become such by virtue of Section
43A.), and two members personally present in the
case of any other company, shall be the quorum for
a meeting of the company.....
 10. Section 397-Any members of a company who complain
that the affairs of the company are being conducted
in a manner prejudicial to public interest or in a
manner oppressive to any member or members(including
any one or more of themselves) may apply to the Court
for an order under this section, provided such members
have a right so to apply in virtue of section 399.....
Section 399-The following members of a company shall
have the right to apply under Section 397 or 398:-
(a) in the case of a company having a share capital,
not less than one hundred members of the company or

not less than one-tenth of the total number of its members, whichever is less, or any member or members holding not less than one-tenth of the issued share capital of company, provided that the applicant or applicants have paid all calls and other sums due on their shares.....

11. Palmer's Company Law Chapter 51, P.505.
12. Section 169-(1) The Board of Directors of a company shall, on the requisition of such number of members of the company as is specified in sub-section (4), forthwith proceed duly to call an extraordinary general meeting of the company. (4) The number of members entitled to requisition a meeting in regard to any matter shall be-(a) in the case of a company having a share capital, such number of them as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the company as at the date carries the right of voting in regard to that matter. (b) in the case of a company not having a share capital, such number of them as have at the date of deposit of the requisition not less than one-tenth of the total voting power of all the members having at the said date a right to vote in regard to that matter.
13. Sections 117-123 (special provisions as to debentures sections 124-145 (provisions regarding registration of charges, mortgages and debentures), Section 149 (restriction on commencement of business and exercise of any borrowing power. Section 293(1)(d) restrictions on the borrowing powers of the directors etc.
14. (1875) L.R. 7 H.L. 653.
15. (1887) 36 Ch. D. 675, 684.
16. A.I.R. 1957 Allahabad 311
17. (1910) 2 Ch. 408, 416.
18. (1888) 40 Ch. D. 141.
19. A.I.R. 1959 Calcutta 715.
20. A.I.R. 1962 S.C. 1821.

21. Section 274- (1) where he is of unsound mind, provided the fact has been certified by a court of competent jurisdiction, (2) when he is undischarged insolvent, (3) where he has applied to be adjudged insolvent, (4) where he has been sentenced to at least six months of imprisonment for an offence involving moral turpitude and five years have not elapsed from the date of expiry of the sentence, (5) where he has not paid for six months any call on his shares, (6) where he has been disqualified under Section 203 of the Act for the purpose of preventing fraudulent persons from Managing Companies.
22. It is proposed that 1/3rd of the persons on the Board of Directors of a Public Limited Companies should be expert in Accounts, Business Management, Marketing and Taxation.
23. Section 267-No company shall, after the commencement of this Act, appoint or employ or continue the appointment or employment of any person as its Managing or whole time Director who, (1) is an undischarged insolvent or has at any time been adjudged an insolvent; (2) suspends payments to his creditors, or makes or has at any time made, a composition with them or (3) is or has at any time been convicted by a court of an offence involving moral turpitude.
24. Mr. Mohan Dharia, a congress member, alleged in Rajya Sabha, that Mr. M.R. Bhide, who as for Chairman of the Life Insurance Corporation, had invested about 27 lakhs of its investible funds in voltas, was now employed as Chairman in Voltas on a monthly salary of Rs.7,000/- immediately after retirement (National Herald dated 1st April, 1969).
25. Inserted by companies (Amendment) Act 1969 (17 of 1969)
26. There are about 401 Managing Agency houses with an estimated paid up capital of Rs.49 crores existing on April 3, 1969 (Hindustan Times dated 26.3.70)
27. Annual Report for 1968-69 on the working and administration of Companies Act present to Lok Sabha.
28. Reported in the Hindustan Times dated 23.3.70.

29. Section 293A, which prohibits the company or its Board of Directors to contribute any amount to a political party or for any political purpose to any individual or body thereof.
30. R.K. Amin, M.P., Easter Economist, Jan. 17, 1969.
31. Personal view.
32. A.I.R. 1964, Orissa 191.
33. Gaz. India 1953, Extra Part II, Sec. 2, 804.
34. Sections 417 to 420 of the Indian Companies Act 1956 and also Section 635B which extends protection to employees during investigation by Inspector or pendency of proceeding before High Court in certain cases.
35. Under the Indian Company Act, the right to move petition is available to (a) company, (b) creditor, (c) contributory, (d) Registrar, (e) Central Government under certain conditions.
36. The first Major enunciation of the principles of State policy took place in 1948 where increasingly active assignment was accorded to the public sector. There was an explicit emphasis in the resolution on the State responsibility in the matter of promoting, assisting and regulating the development of industry in the national interest. Similarly the Industrial policy resolutions of 1956 and 1966 are pointer in the direction of creating a socialistic mixed economy.