

within the time allowed to it for the purpose under sub-section (1), nothing contained in this Act shall have effect so as to transfer any such book debts, liabilities and agreements to or to vest the same in the Corporation.

(3) Either Corporation may by notice in writing within a period of ninety days after submission of the particulars referred to in sub-section (1) intimate to the existing air company submitting the particulars that such of the book debts and investments as are specified in the notice are not included in the properties vesting in the Corporation whereupon the compensation provided by section 25 of this Act and the Schedule thereto shall be reduced by the amount of such excluded book debts and investments but the right of such existing air company to recover and retain such excluded book debts shall remain unaffected by this Act.

**23. Right of Corporations to disclaim certain agreements.—(1)** Where it appears to either of the Corporations that the making of any such agreements as is referred to in section 22 under which the Corporation has or will have or many have liabilities was not reasonably necessary for the purposes of the activities of the existing air company or has not been entered into in good faith, the Corporation may, within six months from the appointed date, apply to the Tribunal for relief from such agreement, and the Tribunal, if satisfied after making such inquiry into the matter as it thinks fit that the agreement was not reasonably necessary for the purposes of the activities of the existing air company or has not been entered into in good faith, may make an order cancelling or varying the agreement on such terms as it may think fit to impose and the agreement shall thereupon have effect accordingly.

(2) All the parties to the agreement which is sought to be cancelled or varied under this section shall be made parties to the proceeding.

**24. Transactions resulting in dissipation of assets.—(1)** This section shall apply where any existing air company has, after the first day of July 1952, and before the appointed date—

(a) made any payment to any person without consideration or for an inadequate consideration;

(b) sold or disposed of any of its properties or rights without consideration or for an inadequate consideration;

(c) acquired any property or rights for an excessive consideration;

(d) entered into or varied any agreement so as to require an excessive consideration to be paid or given by the company;

(e) entered into any other transaction of such an onerous nature as to cause a loss to or impose a liability on the company exceeding any benefit accruing to the company; or

(f) sold or otherwise transferred any aircraft, equipment, machinery or other property of book value exceeding rupees ten thousand;

and the payment, sale, disposal, acquisition, agreement or variation thereof, or other transaction or transfer, was not reasonably necessary for the purposes of the company or was made with an unreasonable lack of prudence on the part of the company, regard being had in either case to the circumstances at the time.