



## **ANNOUNCEMENT**

### **[Executive Programme and Professional Programme]**

#### **Applicability of provisions relating to NCLT and NCLAT under Companies Act, 2013 for December 2016 examination.**

The provisions relating to constitution of the National Company Law Tribunal (NCLT) and National Company Law Appellate Tribunal (NCLAT) were notified by the Ministry of Corporate Affairs vide notification dated 1<sup>st</sup> June, 2016. The following consequential provisions were also notified from that date. Accordingly, the provisions as given hereunder are **applicable for December 2016 examination.**

<b>S.NO.</b>	<b>SECTION</b>	<b>PARTICULARS</b>
1.	Sub-section(7) of section 7[except clause (c) and (d)]	Power of Tribunal to pass orders etc. where company has been incorporated by furnishing any false or incorrect information or representation etc.
2.	Second proviso to sub-section (1) of section 14	Provisions relating to conversion of public company into private company
3.	Section 14(2)	
4.	Section 55(3)	To approve issue of further redeemable preference shares when a company is unable to redeem its existing unredeemed preference shares or to pay dividend thereon.
5.	Proviso to clause(b) of section 61(1)	To approve consolidation or division of share capital resulting in change in voting percentage of shareholders.
6.	Section 62(4) to (6)	Order of government for conversion of loans/debentures into shares in public interest and Where the terms of conversion of debentures into shares of a company ordered by the Government are not acceptable to the company, the company may appeal to the Tribunal for making such order as it may deem fit.
7.	Section 71(9) to (11)	Where the assets of a company are insufficient to discharge the debentures, the debenture trustee may apply to the NCLT.  NCLT to order redemption of

		<p>debentures forthwith by payment of principal and interest due thereon</p> <p>Penalties for not complying with the order of the tribunal</p>
8.	Section 75	Damages for fraud with respect to failure to repay deposits and interest thereon
9.	Section 97	Power of Tribunal to call annual general meeting
10.	Section 98	Power of Tribunal to call meetings of members, etc. i.e in case it is impracticable to call a meeting, the Tribunal may either <i>suo moto</i> , or on application of a director or member of the company who is entitled to vote at the meeting, order to call meeting i.e extra ordinary general meetings and give such directions as may be necessary.
11.	Section 99	Punishment for default in complying with provisions of sections 96 to 98(i.e provisions relating to Annual General Meetings).
12.	Section 119(4)	<p>Inspection of minute-books of general meeting:</p> <p>Power of tribunal to order, direct an immediate inspection of the minute-books or direct that the copy required shall forthwith be sent to the person requiring it.</p>
13.	Section 130	Re-opening of accounts on court's or Tribunal's orders.
14.	Section 131	Voluntary revision of financial statements or Board's report.
15.	Second proviso to section 140(4) and section 140(5)	<p>The provisions <i>inter-alia</i> includes:</p> <p>To restrict copies of representation of the auditor to be removed to be sent out.</p> <p>The Tribunal may, on the application of the company or any aggrieved person, order that copy of representation by the Auditor need not be sent to members nor read at the meeting.</p> <p>Where NCLT is satisfied that the Auditor has acted in a fraudulent manner, it may order that the Auditor may be changed</p>

16.	Section 169(4)	This section <i>inter-alia</i> includes provisions conferring powers to Tribunal to order that representation from the director need not be sent to the members and nor read at the meeting.
17.	Section 213	Investigation into company's affairs in other cases.
18.	Section 216(2)	Investigation of ownership of company
19.	Section 218	Protection of employees during investigation.
20.	Section 221	Freezing of assets of company on inquiry and investigation.
21.	Section 222	Imposition of restrictions upon securities.
22.	Section 224(5)	Actions to be taken in pursuance of inspector's report.
23.	Section 241	Application to Tribunal for relief in cases of oppression, etc.
24.	Section 242 [except clause(b) of sub-section (1), clause (c)& (g) of sub-section (2)]	Certain powers of tribunals notified except for certain High Court matters such as reduction of capital etc.
25.	Section 243	Consequence of termination or modification of certain agreements.
26.	Section 244	Right to apply under section 241i.e application to tribunal in case of oppression etc.
27.	Section 245	Class Action
28.	Reference of word "Tribunal" in section 399(2)	Leave of the Tribunal required for issuance of certain documents
29.	Section 415 to 433(both inclusive)	Provisions relating to Constitution of National Company Law Tribunal and National Company Law Appellate Tribunal
30.	Section 434 (1) (a) and (b)	Transfer of powers from Company Law Board to National Company Law Tribunal
31.	Section 434(2)	Powers of Central Government to make rules relating to transfer of cases from Company Law Board to National Company Law Tribunal.
32.	Section 441	Compounding of certain offences
33.	Section 466	Dissolution of Company Law Board and consequential provisions.

Further, the NCLT Rules and NCLAT Rules, 2016 were notified by MCA on 21<sup>st</sup> July, 2016. Accordingly, these rules are **not applicable for the December, 2016 examination.**