

COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS

Section - 230: Power to compromise or make arrangements with creditors and members.

(1) Where a compromise or arrangement is proposed –

- (a) between a company and its creditors or any class of them; or
- (b) between a company and its members or any class of them,

the Tribunal may, on the application of the company or of any creditor or member of the company, or in the case of a company which is being wound up, of the liquidator, order a meeting of the creditors or class of creditors, or of the members or class of members, as the case may be, to be called, held and conducted in such manner as the Tribunal directs.

Note:-

For the purposes of the Section 230(1), arrangement includes a reorganisation of the company's share capital by the consolidation of shares of different classes or by the division of shares into shares of different classes, or by both of those methods.

(2) The company or any other person, by whom an application is made under sub-section (1), shall disclose to the Tribunal by affidavit –

(a) all material facts relating to the company, such as

- ✚ the latest financial position of the company,
- ✚ the latest auditor's report on the accounts of the company and
- ✚ the pendency of any investigation or proceedings against the company;

(b) reduction of share capital of the company, if any, included in the compromise or arrangement;

(c) any scheme of corporate debt restructuring consented to by not less than 75% of the secured creditors in value, including –

- i. a creditor's responsibility statement in the prescribed form;
- ii. safeguards for the protection of other secured and unsecured creditors;
- iii. report by the auditor that the fund requirements of the

company after the corporate debt restructuring as approved shall conform to the liquidity test based upon the estimates provided to them by the Board;

- iv. where the company proposes to adopt the corporate debt restructuring guidelines specified by the Reserve Bank of India, a statement to that effect; and
- v. a valuation report in respect of the shares and the property and all assets, tangible and intangible, movable and immovable, of the company by a registered valuer.

(3) Where a meeting is proposed to be called in pursuance of an order of the Tribunal under sub-section (1), a notice of such meeting shall be sent to

- ✚ all the creditors or class of creditors and
- ✚ to all the members or class of members and
- ✚ the debenture-holders of the company,

individually at the address registered with the company which shall be accompanied by a statement disclosing

- ✚ the details of the compromise or arrangement,
- ✚ a copy of the valuation report, if any

and explaining their effect on

- ✚ creditors,
- ✚ key managerial personnel,
- ✚ promoters and non-promoter members, and
- ✚ the debenture-holders

and the effect of the compromise or arrangement on any material interests of the directors of the company or the debenture trustees, and such other matters as may be prescribed.

Provided that

- ✚ such notice and other documents shall also be placed on the website of the company, if any, and
- ✚ in case of a listed company, these documents shall be sent to the

Securities and Exchange Board and stock exchange where the securities of the companies are listed, for placing on their website and

- ✚ shall also be published in newspapers in such manner as may be prescribed:

Provided further that where the notice for the meeting is also issued by way of an advertisement, it shall indicate the time within which copies of the compromise or arrangement shall be made available to the concerned persons free of charge from the registered office of the company.

(4) A notice under sub-section (3) shall provide that the persons to whom the notice is sent may vote in the meeting either

- ✚ themselves or
- ✚ through proxies or
- ✚ by postal ballot to the adoption of the compromise or arrangement within one month from the date of receipt of such notice.

Provided that any objection to the compromise or arrangement shall be made only by persons

- ✚ holding not less than **10%** of the shareholding or
- ✚ having outstanding debt amounting to not less than **5%** of the total outstanding debt as per the latest audited financial statement.

(5) A notice under sub-section (3) along with all the documents in such form as may be prescribed shall also be sent to

- ✚ the Central Government,
- ✚ the income-tax authorities,
- ✚ the Reserve Bank of India,
- ✚ the Securities and Exchange Board, the Registrar,
- ✚ the respective stock exchanges,

- ✚ the Official Liquidator,
- ✚ the Competition Commission of India, if necessary, and
- ✚ such other sectoral regulators or authorities which are likely to be affected by the compromise or arrangement

and shall require that representations, if any, to be made by them shall be made within a period of **30 days** from the date of receipt of such notice, failing which, it shall be presumed that they have no representations to make on the proposals.

(6) Where, at a meeting held in pursuance of sub-section (1), majority of persons representing three-fourths in value of the

- ✚ creditors, or class of creditors or
- ✚ members or class of members, as the case may be,

voting

- ✚ in person or
- ✚ by proxy or
- ✚ by postal ballot,

agree to any compromise or arrangement and if such compromise or arrangement is sanctioned by the Tribunal by an order, the same shall be binding on

- ✚ the company,
- ✚ all the creditors, or
- ✚ class of creditors or
- ✚ members or class of members, as the case may be, or,
- ✚ in case of a company being wound up, on the liquidator and the contributories of the company.

(7) An order made by the Tribunal under sub-section (6) shall provide for all or any of the following matters:—

- (a) where the compromise or arrangement provides for conversion of preference shares into equity shares, such preference shareholders shall be given an option to either obtain arrears of dividend in cash or accept equity shares equal to the value of the dividend payable;

- (b) the protection of any class of creditors;
- (c) if the compromise or arrangement results in the variation of the shareholders' rights, it shall be given effect to under the provisions of Section 48;
- (d) if the compromise or arrangement is agreed by the creditors under sub-section (6), any proceedings pending before the Board for Industrial and Financial Reconstruction established under section 4 of the Sick Industrial Companies (Special Provisions) Act, 1985 shall abate.
- (e) such other matters including exit offer to dissenting shareholders, if any, as are in the opinion of the Tribunal necessary to effectively implement the terms of the compromise or arrangement.

Provided that no compromise or arrangement shall be sanctioned by the Tribunal unless a certificate by the company's auditor has been filed with the Tribunal to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the accounting standards prescribed under Section 133.

(8) The order of the Tribunal shall be filed with the Registrar by the company within a period of **30 days** of the receipt of the order.

(9) The Tribunal may dispense with calling of a meeting of creditor or class of creditors where such creditors or class of creditors, having at least **90%** value, agree and confirm, by way of affidavit, to the scheme of compromise or arrangement.

(10) No compromise or arrangement in respect of any buy-back of securities under this section shall be sanctioned by the Tribunal unless such buy-back is in accordance with the provisions of Section 68.

(11) Any compromise or arrangement may include takeover offer made in such manner as may be prescribed.

Provided that in case of listed companies, takeover offer shall be as per the regulations framed by the Securities and Exchange Board.

(12) An aggrieved party may make an application to the Tribunal in the event of any grievances with respect to the takeover offer of companies other than listed companies in such manner as may be prescribed and the Tribunal may, on application, pass such order as it may deem fit.

Note:-

For the removal of doubts, it is hereby declared that the provisions of Section 66 shall not apply to the reduction of share capital affected in pursuance of the order of the Tribunal under this section.

Section - 231:- Power of Tribunal to enforce Compromise or Arrangement.

(1) Where the Tribunal makes an order under section 230 sanctioning a compromise or an arrangement in respect of a company, it—

- (a) shall have power to supervise the implementation of the compromise or arrangement; and
- (b) may, at the time of making such order or at any time thereafter, give such directions in regard to any matter or make such modifications in the compromise or arrangement as it may consider necessary for the proper implementation of the compromise or arrangement.

(2) If the Tribunal is satisfied that the compromise or arrangement sanctioned under Section 230 cannot be implemented satisfactorily with or without modifications, and the company is unable to pay its debts as per the scheme, it may make an order for winding up the company and such an order shall be deemed to be an order made under Section 273.

(3) The provisions of this Section shall, so far as may be, also apply to a company in respect of which an order has been made before the commencement of this Act sanctioning a compromise or an arrangement.

232. Merger and Amalgamation of Companies.

(1) Where an application is made to the Tribunal under Section 230 for the sanctioning of a compromise or an arrangement proposed between a company and any such persons as are mentioned in that section, and it is shown to the Tribunal –

- (a) that the compromise or arrangement has been proposed for the purposes of, or in connection with, a scheme for the reconstruction of the company or companies involving merger or the amalgamation of any two or more companies; and
- (b) that under the scheme, the whole or any part of the undertaking, property or liabilities of any company (transferor company) is required to be transferred to another company (transferee company), or is proposed to be divided among and transferred to two or more companies, the Tribunal may on such application, order a meeting of the creditors or class of creditors or the members or class of members, as the case may be, to be called, held and conducted in such manner as the Tribunal may direct and the provisions of sub-sections (3) to (6) of section 230 shall apply *mutatis mutandis*.

(2) Where an order has been made by the Tribunal under sub-section (1), merging companies or the companies in respect of which a division is proposed, shall also be required to circulate the following for the meeting so ordered by the Tribunal: –

- (a) the draft of the proposed terms of the scheme drawn up and adopted by the directors of the merging company;
- (b) confirmation that a copy of the draft scheme has been filed with the Registrar;
- (c) a report adopted by the directors of the merging companies explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying any special valuation difficulties;
- (d) the report of the expert with regard to valuation, if any;
- (e) a supplementary accounting statement if the last annual accounts

of any of the merging company relate to a financial year ending more than **6 months** before the first meeting of the company summoned for the purposes of approving the scheme.

(3) The Tribunal, after satisfying itself that the procedure specified in sub-sections (1) and (2) has been complied with, may, by order, sanction the compromise or arrangement or by a subsequent order, make provision for the following matters: –

- (a) the transfer to the transferee company of the whole or any part of the undertaking, property or liabilities of the transferor company from a date to be determined by the parties unless the Tribunal, for reasons to be recorded by it in writing, decides otherwise;
- (b) the allotment or appropriation by the transferee company of any shares, debentures, policies or other like instruments in the company which, under the compromise or arrangement, are to be allotted or appropriated by that company to or for any person.
Provided that a transferee company shall not, as a result of the compromise or arrangement, hold any shares in its own name or in the name of any trust whether on its behalf or on behalf of any of its subsidiary or associate companies and any such shares shall be cancelled or extinguished.
- (c) the continuation by or against the transferee company of any legal proceedings pending by or against any transferor company on the date of transfer;
- (d) dissolution, without winding-up, of any transferor company;
- (e) the provision to be made for any persons who, within such time and in such manner as the Tribunal directs, dissent from the compromise or arrangement;
- (f) where share capital is held by any non-resident shareholder under the foreign direct investment norms or guidelines specified by the Central Government or in accordance with any law for the time being in force, the allotment of shares of the transferee company to such shareholder shall be in the manner specified in the order;
- (g) the transfer of the employees of the transferor company to the

transferee company;

(h) where the transferor company is a listed company and the transferee company is an unlisted company, –

(A) the transferee company shall remain an unlisted company until it becomes a listed company;

(B) if shareholders of the transferor company decide to opt out of the transferee company, provision shall be made for payment of the value of shares held by them and other benefits in accordance with a pre-determined price formula or after a valuation is made, and the arrangements under this provision may be made by the Tribunal.

Provided that the amount of payment or valuation under this clause for any share shall not be less than what has been specified by the Securities and Exchange Board under any regulations framed by it;

(i) where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation; and

(j) such incidental, consequential and supplemental matters as are deemed necessary to secure that the merger or amalgamation is fully and effectively carried out:

Provided that no compromise or arrangement shall be sanctioned by the Tribunal unless a certificate by the company's auditor has been filed with the Tribunal to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the accounting standards prescribed under section 133.

(4) Where an order under this section provides for the transfer of any property or liabilities, then, by virtue of the order, that property shall be transferred to the transferee company and the liabilities shall be transferred to and become the liabilities of the transferee company and any property may, if the order so directs, be freed from any charge which shall by virtue of the compromise or arrangement, cease to have effect.

(5) Every company in relation to which the order is made shall cause a certified copy of the order to be filed with the Registrar for registration within thirty days of the receipt of certified copy of the order.

(6) The scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date.

(7) Every company in relation to which the order is made shall, until the completion of the scheme, file a statement in such form and within such time as may be prescribed with the Registrar every year duly certified by a chartered accountant or a cost accountant or a company secretary in practice indicating whether the scheme is being complied with in accordance with the orders of the Tribunal or not.

(8) If a transferor company or a transferee company contravenes the provisions of this section,

- ✚ the transferor company or the transferee company, as the case may be, shall be punishable with fine which shall not be less than **1 lakh** rupees but which may extend to **25 lakh** rupees and
- ✚ every officer of such transferor or transferee company who is in default, shall be punishable with imprisonment for a term which may extend to 1 year or with fine which shall not be less than **1 lakh** rupees but which may extend to **3 lakh** rupees, or with both.

Note: - For the purposes of this section

(i) in a scheme involving a merger, where under the scheme the undertaking, property and liabilities of one or more companies, including the company in respect of which the compromise or arrangement is proposed, are to be transferred to another existing company, it is a merger by absorption, or where the undertaking, property and liabilities of two or more companies, including the company in respect of which the compromise or arrangement is proposed, are to be transferred to a new company, whether or not a public company, it is a merger by formation of a new company;

(ii) references to merging companies are in relation to a merger by absorption, to the transferor and transferee companies, and, in relation to a merger by formation of a new company, to the transferor companies;

(iii) a scheme involves a division, where under the scheme the undertaking, property and liabilities of the company in respect of which the compromise or arrangement is proposed are to be divided among and transferred to two or more companies each of which is either an existing company or a new company; and

(iv) property includes assets, rights and interests of every description and liabilities include debts and obligations of every description.

Section: - 233: Merger or Amalgamation of certain companies

(1) Notwithstanding the provisions of Section 230 and Section 232, a scheme of merger or amalgamation may be entered into between two or more small companies or between a holding company and its wholly-owned subsidiary company or such other class or classes of companies as may be prescribed, subject to the following, namely:—

(a) a notice of the proposed scheme inviting objections or suggestions, if any, from the Registrar and Official Liquidators where registered office of the respective companies are situated or persons affected by the scheme within thirty days is issued by the transferor company or companies and the transferee company;

(b) the objections and suggestions received are considered by the companies in their respective general meetings and the scheme is approved by the respective members or class of members at a general meeting holding at least ninety per cent. of the total number of shares;

(c) each of the companies involved in the merger files a declaration of solvency, in the prescribed form, with the Registrar of the place where the registered office of the company is situated; and

(d) the scheme is approved by majority representing nine-tenths in value of the creditors or class of creditors of respective companies indicated in a meeting convened by the company by giving a notice of twenty-one days along with the scheme to its creditors

for the purpose or otherwise approved in writing.

(2) The transferee company shall file a copy of the scheme so approved in the manner as may be prescribed, with the Central Government, Registrar and the Official Liquidator where the registered office of the company is situated.

(3) On the receipt of the scheme, if the Registrar or the Official Liquidator has no objections or suggestions to the scheme, the Central Government shall register the same and issue a confirmation thereof to the companies.

(4) If the Registrar or Official Liquidator has any objections or suggestions, he may communicate the same in writing to the Central Government within a period of thirty days:

Provided that if no such communication is made, it shall be presumed that he has no objection to the scheme.

(5) If the Central Government after receiving the objections or suggestions or for any reason is of the opinion that such a scheme is not in public interest or in the interest of the creditors, it may file an application before the Tribunal within a period of sixty days of the receipt of the scheme under sub-section (2) stating its objections and requesting that the Tribunal may consider the scheme under section 232.

(6) On receipt of an application from the Central Government or from any person, if the Tribunal, for reasons to be recorded in writing, is of the opinion that the scheme should be considered as per the procedure laid down in section 232, the Tribunal may direct accordingly or it may confirm the scheme by passing such order as it deems fit:

Provided that if the Central Government does not have any objection to the scheme or it does not file any application under this section before the Tribunal, it shall be deemed that it has no objection to the scheme.

(7) A copy of the order under sub-section (6) confirming the scheme shall be communicated to the Registrar having jurisdiction over the transferee company and the persons concerned and the Registrar shall

register the scheme and issue a confirmation thereof to the companies and such confirmation shall be communicated to the Registrars where transferor company or companies were situated.

(8) The registration of the scheme under sub-section (3) or sub-section (7) shall be deemed to have the effect of dissolution of the transferor company without process of winding-up.

(9) The registration of the scheme shall have the following effects: –

(a) transfer of property or liabilities of the transferor company to the transferee company so that the property becomes the property of the transferee company and the liabilities become the liabilities of the transferee company;

(b) the charges, if any, on the property of the transferor company shall be applicable and enforceable as if the charges were on the property of the transferee company;

(c) legal proceedings by or against the transferor company pending before any court of law shall be continued by or against the transferee company; and

(d) where the scheme provides for purchase of shares held by the dissenting shareholders or settlement of debt due to dissenting creditors, such amount, to the extent it is unpaid, shall become the liability of the transferee company.

(10) A transferee company shall not on merger or amalgamation, hold any shares in its own name or in the name of any trust either on its behalf or on behalf of any of its subsidiary or associate company and all such shares shall be cancelled or extinguished on the merger or amalgamation.

(11) The transferee company shall file an application with the Registrar along with the scheme registered, indicating the revised authorised capital and pay the prescribed fees due on revised capital.

Provided that the fee, if any, paid by the transferor company on its authorised capital prior to its merger or amalgamation with the

transferee company shall be set-off against the fees payable by the transferee company on its authorised capital enhanced by the merger or amalgamation.

(12) The provisions of this section shall mutatis mutandis apply to a company or companies specified in sub-section (1) in respect of a scheme of compromise or arrangement referred to in section 230 or division or transfer of a company referred to clause (b) of sub-section (1) of section 232.

(13) The Central Government may provide for the merger or amalgamation of companies in such manner as may be prescribed.

(14) A company covered under this section may use the provisions of section 232 for the approval of any scheme for merger or amalgamation.

Section - 234: Merger or amalgamation of company with foreign company

(1) The provisions of this Chapter unless otherwise provided under any other law for the time being in force, shall apply mutatis mutandis to schemes of mergers and amalgamations between companies registered under this Act and companies incorporated in the jurisdictions of such countries as may be notified from time to time by the Central Government.

Provided that the Central Government may make rules, in consultation with the Reserve Bank of India, in connection with mergers and amalgamations provided under this section.

(2) Subject to the provisions of any other law for the time being in force, a foreign company, may with the prior approval of the Reserve Bank of India, merge into a company registered under this Act or vice versa and the terms and conditions of the scheme of merger may provide, among other things, for the payment of consideration to the shareholders of the merging company in cash, or in Depository Receipts, or partly in cash

and partly in Depository Receipts, as the case may be, as per the scheme to be drawn up for the purpose.

Note:-

For the purposes of sub-section (2), the expression “foreign company” means any company or body corporate incorporated outside India whether having a place of business in India or not.

Section – 235: Power to acquire shares of shareholders dissenting from scheme or contract approved by majority.

(1) Where a scheme or contract involving the transfer of shares or any class of shares in a company (the transferor company) to another company (the transferee company) has, within four months after making of an offer in that behalf by the transferee company, been approved by the holders of not less than nine-tenths in value of the shares whose transfer is involved, other than shares already held at the date of the offer by, or by a nominee of the transferee company or its subsidiary companies, the transferee company may, at any time within two months after the expiry of the said four months, give notice in the prescribed manner to any dissenting shareholder that it desires to acquire his shares.

(2) Where a notice under sub-section (1) is given, the transferee company shall, unless on an application made by the dissenting shareholder to the Tribunal, within one month from the date on which the notice was given and the Tribunal thinks fit to order otherwise, be entitled to and bound to acquire those shares on the terms on which, under the scheme or contract, the shares of the approving shareholders are to be transferred to the transferee company.

(3) Where a notice has been given by the transferee company under sub-section (1) and the Tribunal has not, on an application made by the dissenting shareholder, made an order to the contrary, the transferee company shall, on the expiry of one month from the date on which the notice has been given, or, if an application to the Tribunal by the

dissenting shareholder is then pending, after that application has been disposed of, send a copy of the notice to the transferor company together with an instrument of transfer, to be executed on behalf of the shareholder by any person appointed by the transferor company and on its own behalf by the transferee company, and pay or transfer to the transferor company the amount or other consideration representing the price payable by the transferee company for the shares which, by virtue of this section, that company is entitled to acquire, and the transferor company shall –

- (a) thereupon register the transferee company as the holder of those shares; and
- (b) within one month of the date of such registration, inform the dissenting shareholders of the fact of such registration and of the receipt of the amount or other consideration representing the price payable to them by the transferee company.

(4) Any sum received by the transferor company under this section shall be paid into a separate bank account, and any such sum and any other consideration so received shall be held by that company in trust for the several persons entitled to the shares in respect of which the said sum or other consideration were respectively received and shall be disbursed to the entitled shareholders within **60 days**.

(5) In relation to an offer made by a transferee company to shareholders of a transferor company before the commencement of this Act, this section shall have effect with the following modifications: –

- (a) in sub-section (1), for the words “the shares whose transfer is involved other than shares already held at the date of the offer by, or by a nominee of, the transferee company or its subsidiaries,”, the words “the shares affected” shall be substituted; and
- (b) in sub-section (3), the words “together with an instrument of transfer, to be executed on behalf of the shareholder by any person appointed by the transferee company and on its own behalf by the transferor company” shall be omitted.

Note:—

For the purposes of this section, “dissenting shareholder” includes a shareholder who has not assented to the scheme or contract and any shareholder who has failed or refused to transfer his shares to the transferee company in accordance with the scheme or contract.

Section - 236: Purchase of minority shareholding

(1) In the event of an acquirer, or a person acting in concert with such acquirer, becoming registered holder of ninety per cent. or more of the issued equity share capital of a company, or in the event of any person or group of persons becoming ninety per cent. majority or holding ninety per cent. of the issued equity share capital of a company, by virtue of an amalgamation, share exchange, conversion of securities or for any other reason, such acquirer, person or group of persons, as the case may be, shall notify the company of their intention to buy the remaining equity shares.

(2) The acquirer, person or group of persons under sub-section (1) shall offer to the minority shareholders of the company for buying the equity shares held by such shareholders at a price determined on the basis of valuation by a registered valuer in accordance with such rules as may be prescribed.

(3) Without prejudice to the provisions of sub-sections (1) and (2), the minority shareholders of the company may offer to the majority shareholders to purchase the minority equity shareholding of the company at the price determined in accordance with such rules as may be prescribed under sub-section (2).

(4) The majority shareholders shall deposit an amount equal to the value of shares to be acquired by them under sub-section (2) or sub-section (3), as the case may be, in a separate bank account to be operated by the transferor company for at least one year for payment to the minority shareholders and such amount shall be disbursed to the entitled shareholders within **60 days**.

Provided that such disbursement shall continue to be made to the entitled share-holders for a period of one year, who for any reason had not been made disbursement within the said period of **60 days** or if the disbursement have been made within the aforesaid period of **60 days**, fail to receive or claim payment arising out of such disbursement.

(5) In the event of a purchase under this section, the transferor company shall act as a transfer agent for receiving and paying the price to the minority shareholders and for taking delivery of the shares and delivering such shares to the majority, as the case may be.

(6) In the absence of a physical delivery of shares by the shareholders within the time specified by the company, the share certificates shall be deemed to be cancelled, and the transferor company shall be authorised to issue shares in lieu of the cancelled shares and complete the transfer in accordance with law and make payment of the price out of deposit made under sub-section (4) by the majority in advance to the minority by despatch of such payment.

(7) In the event of a majority shareholder or shareholders requiring a full purchase and making payment of price by deposit with the company for any shareholder or shareholders who have died or ceased to exist, or whose heirs, successors, administrators or assignees have not been brought on record by transmission, the right of such shareholders to make an offer for sale of minority equity shareholding shall continue and be available for a period of three years from the date of majority acquisition or majority shareholding.

(8) Where the shares of minority shareholders have been acquired in pursuance of this section and as on or prior to the date of transfer following such acquisition, the shareholders holding seventy-five per cent. or more minority equity shareholding negotiate or reach an understanding on a higher price for any transfer, proposed or agreed upon, of the shares held by them without disclosing the fact or likelihood of transfer taking place on the basis of such negotiation, understanding or agreement, the majority shareholders shall share the additional compensation so received by them with such minority shareholders on a pro rata basis.

Note:—

For the purposes of this section, the expressions “acquirer” and “person acting in concert” shall have the meanings respectively assigned to them in clause (b) and clause (e) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997/2011.

(9) When a shareholder or the majority equity shareholder fails to acquire full purchase of the shares of the minority equity shareholders, then, the provisions of this section shall continue to apply to the residual minority equity shareholders, even though, —

- (a) the shares of the company of the residual minority equity shareholder had been delisted; and
- (b) the period of one year or the period specified in the regulations made by the Securities and Exchange Board under the Securities and Exchange Board of India Act, 1992, had elapsed.

Section - 237: Power of Central Government to provide for amalgamation of companies in public interest.

(1) Where the Central Government is satisfied that it is essential in the public interest that two or more companies should amalgamate, the Central Government may, by order notified in the Official Gazette, provide for the amalgamation of those companies into a single company with such constitution, with such property, powers, rights, interests, authorities and privileges, and with such liabilities, duties and obligations, as may be specified in the order.

(2) The order under sub-section (1) may also provide for the continuation by or against the transferee company of any legal proceedings pending by or against any transferor company and such consequential, incidental and supplemental provisions as may, in the opinion of the Central Government, be necessary to give effect to the amalgamation.

(3) Every member or creditor, including a debenture holder, of each of the transferor companies before the amalgamation shall have, as nearly

as may be, the same interest in or rights against the transferee company as he had in the company of which he was originally a member or creditor, and in case the interest or rights of such member or creditor in or against the transferee company are less than his interest in or rights against the original company, he shall be entitled to compensation to that extent, which shall be assessed by such authority as may be prescribed and every such assessment shall be published in the Official Gazette, and the compensation so assessed shall be paid to the member or creditor concerned by the transferee company.

(4) Any person aggrieved by any assessment of compensation made by the prescribed authority under sub-section (3) may, within a period of thirty days from the date of publication of such assessment in the Official Gazette, prefer an appeal to the Tribunal and thereupon the assessment of the compensation shall be made by the Tribunal.

(5) No order shall be made under this section unless –

- (a) a copy of the proposed order has been sent in draft to each of the companies concerned;
- (b) the time for preferring an appeal under sub-section (4) has expired, or where any such appeal has been preferred, the appeal has been finally disposed off; and
- (c) the Central Government has considered, and made such modifications, if any, in the draft order as it may deem fit in the light of suggestions and objections which may be received by it from any such company within such period as the Central Government may fix in that behalf, not being less than two months from the date on which the copy aforesaid is received by that company, or from any class of shareholders therein, or from any creditors or any class of creditors thereof.

(6) The copies of every order made under this section shall, as soon as may be after it has been made, be laid before each House of Parliament.

Section - 238: Registration of offer of schemes involving transfer of shares.

(1) In relation to every offer of a scheme or contract involving the transfer of shares or any class of shares in the transferor company to the transferee company under section 235,—

- (a) every circular containing such offer and recommendation to the members of the transferor company by its directors to accept such offer shall be accompanied by such information and in such manner as may be prescribed;
- (b) every such offer shall contain a statement by or on behalf of the transferee company, disclosing the steps it has taken to ensure that necessary cash will be available; and
- (c) every such circular shall be presented to the Registrar for registration and no such circular shall be issued until it is so registered.

Provided that the Registrar may refuse, for reasons to be recorded in writing, to register any such circular which does not contain the information required to be given under clause (a) or which sets out such information in a manner likely to give a false impression, and communicate such refusal to the parties within **30 days** of the application.

(2) An appeal shall lie to the Tribunal against an order of the Registrar refusing to register any circular under sub-section (1).

(3) The director who issues a circular which has not been presented for registration and registered under clause (c) of sub-section (1), shall be punishable with fine which shall not be less than **25,000/-** rupees but which may extend to **5 lakh** rupees.

Section - 239: Preservation of books and papers of amalgamated companies.

The books and papers of a company which has been amalgamated with, or whose shares have been acquired by, another company under this Chapter shall not be disposed of without the prior permission of the Central Government and before granting such permission, that Government may appoint a person to examine the books and papers or any of them for the purpose of ascertaining whether they contain any evidence of the commission of an offence in connection with the promotion or formation, or the management of the affairs, of the transferor company or its amalgamation or the acquisition of its shares.

Section - 240: Liability of officers in respect of offences committed prior to merger, amalgamation, etc.

Notwithstanding anything in any other law for the time being in force, the liability in respect of offences committed under this Act by the officers in default, of the transferor company prior to its merger, amalgamation or acquisition shall continue after such merger, amalgamation or acquisition.

Other Provisions of Companies Act, 2013 applicable in case of COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS

Section - 48: In case of a One Person Company

- (i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under Section 118;
- (ii) such minutes book shall be signed and dated by the member;
- (iii) the resolution shall become effective from the date of signing such minutes by the sole member.

Section - 66:

- (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Section - 68:

- (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

Section - 118: Minutes of proceedings of general meeting, meeting of Board of Directors and other meeting and resolutions passed by postal ballot.

- (1) Every company shall cause minutes of the proceedings of every general meeting of any class of shareholders or creditors, and every resolution passed by postal ballot and every meeting of its Board of Directors or of every committee of the Board, to be prepared and signed in such manner as may be prescribed and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.
- (2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (3) All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (4) In the case of a meeting of the Board of Directors or of a committee of the Board, the minutes shall also contain –
 - (a) the names of the directors present at the meeting; and
 - (b) in the case of each resolution passed at the meeting, the names of the directors, if any, dissenting from, or not concurring with the resolution.
- (5) There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting, –
 - (a) is or could reasonably be regarded as defamatory of any person; or
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interests of the company.
- (6) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in sub-section (5).

- (7) The minutes kept in accordance with the provisions of this section shall be evidence of the proceedings recorded therein.
- (8) Where the minutes have been kept in accordance with sub-section (1) then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have been duly taken place, and the resolutions passed by postal ballot to have been duly passed and in particular, all appointments of directors, key managerial personnel, auditors or company secretary in practice, shall be deemed to be valid.
- (9) No document purporting to be a report of the proceedings of any general meeting of a company shall be circulated or advertised at the expense of the company, unless it includes the matters required by this section to be contained in the minutes of the proceedings of such meeting.
- (10) Every company shall observe secretarial standards with respect to general and Board meetings specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980, and approved as such by the Central Government.
- (11) If any default is made in complying with the provisions of this section in respect of any meeting, the company shall be liable to a penalty of twenty-five thousand rupees and every officer of the company who is in default shall be liable to a penalty of five thousand rupees.
- (12) If a person is found guilty of tampering with the minutes of the proceedings of meeting, he shall be punishable with imprisonment for a term which may extend to two years and with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees.

Section – 133: Central Government to prescribe Accounting Standards

The Central Government may prescribe the standards of accounting or any addendum thereto, as recommended by the Institute of Chartered Accountants of India, constituted under section 3 of the Chartered Accountants Act, 1949, in consultation with and after examination of the recommendations made by the National Financial Reporting Authority.

Section – 273: Powers of Tribunal.

(1) The Tribunal may, on receipt of a petition for winding up under section 272 pass any of the following orders: –

- (a) dismiss it, with or without costs;
- (b) make any interim order as it thinks fit;
- (c) appoint a provisional liquidator of the company till the making of a winding up order;
- (d) make an order for the winding up of the company with or without costs; or
- (e) any other order as it thinks fit.

Provided that an order under this sub-section shall be made within ninety days from the date of presentation of the petition.

Provided further that before appointing a provisional liquidator under clause (c), the Tribunal shall give notice to the company and afford a reasonable opportunity to it to make its representations, if any, unless for special reasons to be recorded in writing, the Tribunal thinks fit to dispense with such notice.

Provided also that the Tribunal shall not refuse to make a winding up order on the ground only that the assets of the company have been mortgaged for an amount equal to or in excess of those assets, or that the company has no assets.

(2) Where a petition is presented on the ground that it is just and equitable that the company should be wound up, the Tribunal may refuse to make an order of winding up, if it is of the opinion that some other remedy is available to the petitioners and that they are acting unreasonably in seeking to have the company wound up instead of pursuing the other remedy.

Various Forms under NCLT Procedures

FORM NO. CAA.1

[Pursuant to section 230(2)(c)(i) and Rule 4]

Creditor's Responsibility Statement

I/ We,, the creditors of M/s..... for an amount of Rs. as on..... do hereby declare that I / we have read and understood the proposed corporate debt restructuring scheme and am / are of the view that it is in my/our best interest to concur with the scheme.

I/ We further declare that the debt is owed to me / us by the company or the liability was created by the company in my/ our favor in good faith and in the ordinary course of business of the company;

I/We believe that the scheme does not give me/us any fraudulent preference at the cost of any secured/unsecured Creditors.

Signature of creditor/s

Date:

Place:

FORM NO. CAA. 2

[Pursuant to Section 230 (3) and Rule 6 and 7)]

Company Petition No of 20.....

.....Applicant(s)

Notice and Advertisement of notice of the meeting of creditors or members

Notice is hereby given that by an order dated the 20 ... the _____ Bench of the National Company Law Tribunal has directed a meeting (or separate meetings) to be held of [here mention 'debenture holders' or 'first debenture holders' or 'second debenture holders' or 'unsecured creditors' or 'secured creditors' or 'preference shareholders' or 'equity shareholders' as the casemay be whose meeting or meetings have to be held] of the said company for the purpose of considering, and if thought fit, approving with or without modification, the compromise or arrangement proposed to be made between the said company and [here mention the class of creditors or members with whom the compromise or arrangement or amalgamation is to be made] of the company aforesaid.

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of [here set out the class of creditors or members whose meeting has to be held] of the said company will be Held at...on....day...the...day of..... 20...at... .. o'clock in the noon at which time and place the said [here mention the class of creditors or members] are requested to attend [Where separate meetings of classes of creditors or members are to be held, set them out separately with the place, date and time of the meeting in each case.]

Copies of the said compromise or arrangement or amalgamation, and of the statement under section 230 can be obtained free of charge at the registered office of the company or at the office of its authorized representative Shri.... at.....Persons entitled to attend and vote at the meeting (or respective meetings), may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the company at... .. not later than 48 hours before the meeting.

Forms of proxy can be had at the registered office of the Company.

The Tribunal has appointed Shri..... and failing him, Shri....as chairperson of the said meeting (or several meetings). The above mentioned compromise or arrangement or amalgamation, if approved by the meeting, will be subject to the subsequent approval of the tribunal.

Dated thisday of..... . 20.....

Chairperson appointed for the
meeting (or as the case may be)

FORM NO. CAA.3

[Pursuant to section 230(5) and Rule 8]

In the Matter of compromise and / or arrangement of
NOTICE TO CENTRAL GOVERNMENT, REGULATORY AUTHORITIES

To,
The Central Government/
The Registrar of Companies/
The Income-Tax Authorities/
[in all cases]
The Reserve Bank of India/
The Securities and Exchange Board of India/
The Stock Exchanges of/
The Competition Commission of India/
[as may be applicable]
Other sectoral regulator or authorities
[As required by Tribunal]

Notice is hereby given in pursuance of sub-section (5) of section 230 of the Companies Act, 2013, that as directed by the _____ Bench of the National Company Law Tribunal at by an order dated under sub-section (1) of section 230 of the Act, a meeting of the members and / or creditors of (Company's name)..... shall be held on to consider the scheme of compromise and / or arrangement ofwith at

A copy of the notice and scheme of the compromise or arrangement are enclosed.

You are hereby informed that representations, if any, in connection with the proposed compromise and / or arrangement may be made to the Tribunal within thirty days from the date of receipt of this notice. Copy of the representation may simultaneously be sent to the concerned company(ies).

In case no representation is received within the stated period of thirty days, it shall be presumed that you have no representation to make on the proposed scheme of compromise or arrangement.

Authorized Signatory

Dated this day of20...

Place

Enclosures : i) Copy of notice with statement as required under section 230(3);
ii) Copy of scheme of compromise or arrangement

FORM No. CAA. 4

[Pursuant to rule 13(2) and Rule 14]

Company Petition No of..... of 20.....
.....Applicant(s)

Report of result of meeting by Chairperson:

I, _____ the person appointed by this Hon'ble Tribunal to act as chairperson of the meeting of (the debenture holders or first debenture holders or second debenture holders or unsecured creditors or secured creditors or preference shareholders or equity shareholders) of the above named company, summoned by notice served individually upon them and by advertisement dated the day of.. 20....., and held on the day of.. 20... at... , do hereby report to this Hon'ble Tribunal as follows:

1. The said meeting was attended either personally or by proxy by [here state the number of creditors or the class of creditors or the number of members or the class of members as the case may be, who attended the meeting] of the said company entitled together to [here mention the total value to the debts, or debentures, where the meeting was of creditors, and the total number and value of the shares, where the meeting was of members, of those who attended the

meeting], representing [..... percentage] of the total value of debts or debentures or shares of the company.

2. The scheme of compromise or arrangement was read out and explained by me to the meeting, and the question submitted to the said meeting was whether the (here state the class of creditors or members as the case may be) of the said company agreed to the compromise or arrangement submitted to the meeting and agreed thereto.

3. The majority of persons representing three-fourths in value of the creditors, or class of creditors or members or class of members, as the case may be, (or such persons unanimously) are of the opinion that the compromise or arrangement should be approved and agreed to. The result of the voting upon the said question was as follows:

The under-mentioned [here mention the class of creditors or members who attended the meeting] voted in favour of the proposed compromise or arrangement being adopted and carried into effect:

Name of creditor or member	Address	Value of debt (or No. of preference or equity shares held)	Number of votes

The under-mentioned [here mention the class of creditors or members who attended the meeting] voted against the proposed compromise or arrangement being adopted and carried into effect:

Name of creditor or member	Address	Value of debt (or No. of preference or equity shares held)	Number of votes

Dated this..... day of20.....

Sd/-

Chairperson

**If the compromise or arrangement was approved with modifications, it should be so stated and the modifications made should be set out, and also the particulars of the voting on the modifications.

FORM NO. CAA.5

[Pursuant to section 230 and Rule 15(1)]

[HEADING AS IN FORM NCLT. 4]

Petition to sanction compromise or arrangement

The petition of _____ Ltd, (*in liquidation by its liquidator) the petitioner above named is as follows:-

1. The object of this petition is to obtain sanction of Tribunal to a compromise or arrangement whereby (here set out the nature of the compromise or arrangement).
2. The company was incorporated under the [...] Act..... with a nominal capital of Rs [...] divided into shares of Rs[...] each of which [...] shares were issued and Rs[...] was paid up on each share issued.
3. The objects for which the company was formed are as set forth in the company's Memorandum of Association. They are: (Set out the principal objects).
4. [Here set out the nature of the business carried on by the company, its financial position and the circumstances that necessitated the compromise or arrangement and the benefits sought to be achieved by the compromise or arrangement and its effect].
5. The compromise or arrangement was in the following terms:-[Here set out the terms of the compromise or arrangement].
6. By an order made in the above matter on [...]the petitioner was directed to convene a meeting of [here set out the class of creditors or members of whom the meeting was to be held] of the company for the purpose of considering and, if thought fit approving with or without modifications. The said compromise or arrangement and the said order directed that [...] or failing him [...] should act as chairperson of the said meeting and should report the result thereof to this Tribunal.
7. Notice of the meeting was sent individually to the [here mention the class of creditors or members to whom the notice was sent] as required by the order together with a copy of the compromise or arrangement and of the statement required by section 231, 232 read with section 230 of the Act and a form of proxy. The notice of the meeting was also advertised as directed by the said order in (here set out the newspapers).
8. On the [...], a meeting of (here mention the class of creditors or members whose meeting was convened) of the company duly convened in accordance with the said order, was held at [...]and the said [...], acted as the chairperson of the meeting.
9. The said [...], has reported the result of the meeting to this Hon'ble Tribunal.
10. The said meeting was attended by (here set out the number of the class of creditors or members, as the case may be, who attended the meeting either in person or by proxy), and the total value of their [here mention debts, debentures or shares, as the case may be] is Rs [...] [in the case of shares, the total number and value of the shares should be mentioned] representing [..... percentage] of the total value of debts or debentures or shares of the company. The said compromise or arrangement was read and explained by the said [...], to the meeting and it was resolved unanimously [or by a majority of [...] votes against [...] votes] as follows:-[Here set out the resolution as passed].
11. The sanctioning of the compromise or arrangement will be for the benefit of the company.
12. Notice of this petition need not be served on any person. The petitioner therefore prays:
 - (1) That the said compromise or arrangement may be sanctioned by the Tribunal as to be binding on all the [here set out the class of creditors or members of the company on whom the compromise or arrangement is to be binding] of the said company and on the said company.
 - (2) Or such other order may be made in the premises as to the Tribunal shall deem fit.

Verification etc.

Petitioner

[Note: (1) The affidavit in support should verify the petition and prove any matters not proved in any prior affidavit, such as advertisement, holding of meetings, posting of notices, copies of compromise or arrangement and proxies etc., and should exhibit the report of the chairperson and verify the same.]

Note: (2) If the company is being wound-up, say so.

Note: (3) If any modifications were made in the compromise or arrangement, at the meeting, they should be set out in separate paragraph.

* To be inserted where the company is being wound-up.

FORM NO. CAA.6

[Pursuant to section 230(7) and Sub-Rule (3) of rule 17]

[HEADING AS IN FORM NCLT. 4]

Order on petition

The above petition coming on for hearing on upon reading the said petition, the order dated..... whereby the 'said company (or, liquidator of the said company), was ordered to convene a meeting (or separate meeting) of the creditors/debenture holders/preference shareholders/equity shareholders/ of the above company for the purpose of considering, and if thought fit, approving, with or without modification, the compromise or arrangement proposed to be made between the said company and.....and annexed to the affidavit of.....filed the day of.....20the and the (here mention the newspaper) dated.....each containing the advertisement of the said notice convening the said meeting(s) directed to be held by the said order dated...20.....the affidavit of.....filed the day of... 20....., showing the publication and despatch of the notices convening the said meeting(s). the report(s) of the chairperson/ chairpersons of the said meeting(s) (respectively) dated as to the result of the said meeting(s), (and upon hearing Shri.....advocate for etc.) and it appearing from the report(s) that the proposed compromise or arrangement has been approved (here state whether unanimously or by a majority of not less than three-fourths in value of the creditors or class of creditors or members or class of members as the case may be present and voting in person or by proxy or through postal ballot or through electronic means).

This Tribunal do hereby sanction the compromise or arrangement set forth in paraof the petition herein and in the schedule hereto and doth hereby declare the same to be binding on...(here enter the class of creditors or members on whom it is to be binding) of the above named company and also on the said company (and its liquidator').

And this Tribunal do further order:-

[Here enter any directions given or modifications made by the Tribunal regarding the carrying out of the compromise or arrangement.]

That the parties to the compromise or arrangement or other persons interested shall be at liberty to apply to this Tribunal for any directions that may be necessary in regard to the working of the compromise or arrangement, and

That the said company [or the liquidator of the said company] do file with the Registrar of Companies a certified copy of this order within thirty days of the receipt of the order.

SCHEDULE

Scheme of compromise or arrangement as sanctioned by the Tribunal

Dated this day of.. 20... .

(By the Tribunal)

Registrar'

To be inserted where the company is being wound-up. Where the compromise or arrangement has been approved with the modifications, it should be so stated

FORM NO. CAA.7

[Pursuant to section 232 and Rule 20]

[HEADING AS IN FORM NCLT. 4]

Order under section 232

Upon the above petition [and application'] coming on for further hearing onupon reading etc., and upon hearing etc.

THIS TRIBUNAL DO ORDER

- (1) That all the property, rights and powers of the transferor company specified in the first, second and third parts of the Schedule hereto and all other property, rights and powers of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and vested in the transferee company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same [other than(here set out any charges which by virtue of the compromise or arrangement are to cease to have effect)]; and
- (2) That all the liabilities and duties of the transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and become the liabilities and duties of the transferee company; and
- (3) That all proceedings now pending by or against the transferor company be continued by or against the transferee company; and
- (4) That the transferee company do without further application allot to such members of the transferor company as have not given such notice of dissent as is required by clause ____ of the compromise or arrangement herein the shares in the transferee company to which they are entitled under the said compromise or arrangement; and
- (5) That the transferor company shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered the transferor company shall be dissolved* and the Registrar of Companies shall place all documents relating to the transferor company and registered with him on the file kept by him in relation to the transferee company and the files relating to the said two companies shall be consolidated accordingly; and
- (6) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

Schedule

First Part

(Insert a short description of the freehold property of the transferor company)

Second Part

(Insert a short description of the leasehold property of the transferor company)

Third Part

(Insert a short description of all stocks, shares, debentures and other charges in action of the transferor company)

Dated

(By the Tribunal)

Registrar

* Where the Tribunal directs that the transferor company should be dissolved from any other date, the clause should be altered accordingly.

FORM NO. CAA.8

[Pursuant to section 232(7) and Rule 21]

In the Matter of compromise and / or arrangement of

Statement to be filed with Registrar of Companies

1. (a) Corporate identity number (CIN) of company:
(b) Global location number (GLN) of company:
2. (a) Name of the company:
(b) Address of the registered office of the company:
(c) E-mail ID of the company:
3. Date of Board of Directors' resolution approving the scheme
4. Date of Order of Tribunal approving the Scheme under Section 232(3)
5. Details regarding:-
 - (a) Completed actions under the Order
 - (b) Pending actions under the Order with status

Declaration of compliance of scheme as per the Order of the Tribunal

I, the Director / Company Secretary of do solemnly affirm and declare that we are in compliance with the Order of the Tribunal dated _____.

A copy of the scheme of the compromise or arrangement is enclosed.

Director / Company Secretary

Chartered Accountant in practice / Cost Accountant in practice / Company Secretary in practice

Date:

Place:

Attachments:-

- 1) Scheme of Compromise or Arrangement
- 2) Details of Compliance of the Scheme
- 3) Other Attachments, if any

FORM NO. CAA.9

[Pursuant to section 233(1)(a) and Rule 25(1)]

Notice of the scheme inviting objections or suggestions

Notice is hereby given by M/s [...] (transferor / transferee company) that a scheme of merger or amalgamation is proposed to be entered with M/s [...] (transferor / transferee company) and in pursuance of sub-section (1)(a) of Section 233 of the Companies Act, 2013, objections or suggestions are invited in respect of the scheme.

A copy of the scheme of merger or amalgamation is enclosed.

Objections or suggestions are invited from –

- (i) the Registrar (mention the details of the Registrar of the area where the registered office of the transferor / transferee company is situated);
- (ii) Official Liquidator (mention the details of the Official Liquidator of the area where the registered office of the transferor company is situated); and
- (iii) [Any person whose interest is likely to be affected by the proposed scheme].

Any person mentioned in (i) , (ii) or (iii) above, desirous of providing objections or suggestions in respect of the scheme should send their objections or suggestions within thirty days from the date of this notice to [...] (the Central Government at (address) and to Shri _____ (address) being authorised representative of the transferor company).

Date :

Place :

Sd/-(mention the details of the authorised representative of the transferor company).

Enclosure: A copy of the scheme of merger or amalgamation

FORM NO. CAA.10

[Pursuant to section 233(1)(c) and Rule 25(2)]

Declaration of solvency

1. (a) Corporate identity number (CIN) of company :

(b) Global location number (GLN) of company:

2. (a) Name of the company:

(b) Address of the registered office of the company:

(c) E-mail ID of the company:

3.(a) Whether the company is listed:

Yes

No

(b) If listed, please specify the name(s) of the stock exchange(s) where listed:

4. Date of Board of Directors' resolution approving the scheme

Declaration of solvency

We, the directors of M/s do solemnly affirm and declare that we have made a full enquiry into the affairs of the company and have formed the opinion that the company is capable of meeting its liabilities as and when they fall due and that the company will not be rendered insolvent within a period of one year from the date of making this declaration.

We append an audited statement of company's assets and liabilities as at being the latest date of making this declaration.

We further declare that the company's audited annual accounts including the Balance Sheet have been filed upto date with the Registrar of Companies

Signed for and behalf of the board of directors

(1) Signature :.....

Date Name :.....

Place Managing Director, if any

(2) Signature :.....

Name :.....

Director

(3) Signature :.....

Name :.....

Director

Verification

We solemnly declare that we have made a full enquiry into the affairs of the company including the assets and liabilities of this company and that having done so and having noted that the scheme of merger or amalgamation between and is proposed to be placed before the shareholders and creditors of the company for approval as per the provisions of sub-section (1) of section 233 of the Companies Act, 2013, we make this solemn declaration believing the same to be true.

Verified this day the day of, 20.....

(1) Signature :.....

Name :.....

Managing Director

(2) Signature :.....

Name :.....

Director

(3) Signature :.....

Name :.....

Director

Solemnly affirmed and declared at the day of, 20... before me.

Commissioner of Oaths and

Notary Public

Attachments:

- A) Copy of board resolution
- B) Statement of assets and liabilities
- C) Auditor's report on the statement of assets and liabilities

ANNEXURE

Statement of assets and liabilities as at

Name of the company

Assets

	Book	Estimated
	Value	Realisable value
1. Balance at Bank		
2. Cash in hand		
3. Marketable securities		
4. Bills receivables		
5. Trade debtors		
6. Loans & advances		
7. Unpaid calls		
8. Stock-in-trade		
9. Work in progress		
10. Freehold property		
11. Leasehold property		
12. Plant and machinery		
13. Furniture, fittings, utensils, etc.		

FORM NO.CAA.11

[Pursuant to section 233(2) and Rule 25(4)]

Notice of approval of the scheme of merger

(To be filed by the transferee company to the Central Government, Registrar and the Official Liquidator)

1. (a) Corporate Identity Number (CIN) :
(b) Global Location Number (GLN) :
2. (a) Name of the transferee company:
(b) Registered office address:
(c) E-mail id:
3. Whether the transferor and transferee are:
 - Small companies
 - Holding and wholly owned subsidiaries
4. Details of transferor
 - (a) Corporate Identity Number (CIN) :
 - (b) Global Location Number (GLN) :
 - Name of the company:
 - Registered office address:
 - E-mail id:
5. Brief particulars of compromise or arrangement involving merger:
6. Details of approval of the scheme of merger by the transferee company:
 - (a) Approval by members
 - (i) Date of dispatch of notice to members:
 - (ii) Date of the General meeting:
 - (iii) Date of approval of scheme in the General meeting:
 - (iv) Approved by majority of: (members or class of members holding atleast ninety percent of the total number of shares)
 - (b) Approval by creditors
 - (i) Date of dispatch of notice to creditors:
 - (ii) Date of the meeting of creditors:
 - (iii) Date of approval of scheme in creditors meeting:
 - (iv) Approved by majority of: (at least nine tenth in value of creditors)
7. Details of approval of the scheme of merger by the transferor company:
 - (a) Approval by members
 - (i) Date of dispatch of notice to members:
 - (ii) Date of the General meeting:
 - (iii) Date of approval of scheme in the General meeting:
 - (iv) Approved by majority of: (members or class of members holding atleast ninety percent of the total number of shares)
 - (b) Approval by creditors
 - (i) Date of dispatch of notice to creditors:
 - (ii) Date of the meeting of creditors:
 - (iii) Date of approval of scheme in such meeting:
 - (iv) Approved by majority of: (at least nine tenths in value of creditor)

Declaration

Ithe director of the transferee company hereby declares that-

- (i) Notice of the scheme as required under section 233(1)(a) was duly sent to the Registrars and Official Liquidators of the place where the registered office of the transferor and transferee companies are situated and to all other persons who are likely to be affected by the scheme and a copy of the same has been attached herewith;
- (ii) the objections to the scheme have been duly taken care of to the satisfaction of the respective persons;
- (iii) the scheme has been approved by the members and creditors of the transferee and transferor company by the requisite majority in accordance with section 233(1)(b) and (d) respectively;
- (iv) all the requirements under section 233 of the Act and the rules made there have been complied with; and
- (v) to the best of my knowledge and belief the information given in this application and its attachments is correct and complete;

Date:

Place:

Signature

Attachments:

- 1. Copy of the scheme approved by both creditors and members;
- 2. Notice sent in accordance with section 233(1)(a);
- 3. Optional attachments, if any.

FORM NO. CAA.12

[Pursuant to section 233 and Rule 25(5)]

Confirmation order of scheme of merger or amalgamation between

Ms.....and Ms.....

Pursuant to the provisions of section 233, the scheme of compromise, arrangement or merger of M/s (transferor company) with M/s..... (transferee company) approved by their respective members and creditors as required under section 233(1)(b) and (d), is hereby confirmed and the scheme shall be effective from theday of20...

A copy of the approved scheme is attached to this order.

Signature with seal

Date

Place

FORM NO.CAA.13

[Pursuant to section 233(5) and Rule 25(6)]

Application by the Central Government to the Tribunal

[HEADING AS IN FORM NCLT. 4]

(Name and address of the applicant)

State the name and address of the persons who should be given opportunity of being heard in disposing of this reference.

(Note: Please enclose as many additional copies of the reference application as there are persons as above named.)

On the basis of the information available from the documents annexed hereto-

1. The applicant hereby makes reference to the National Company Law Tribunal, -----, Bench, under section of the Companies Act, 2013

2. The applicant states as follow :

(Here set out the brief facts of the case)

3. The submission of the applicant is as follows :

(Submission)

4. The applicant has annexed hereto the documents or copies thereof as specified below:

Place:

Date:

Signature of the applicant

List of Document

- 1.
- 2.
- 3.

FORM NO. CAA.14

[Pursuant to section 235(1) and rule 26]

Notice to dissenting shareholders

To

.....
.....

Notice for acquiringshares held by you in M/s...(hereinafter called 'the transferor company')

Notice is hereby given by M/s..... (hereinafter called 'the transferee company') that an offer made by the transferee company on to all the shareholders of the transferor company for acquisition of the shares or class of shares at the price of has been approved by the holders ofin value of share, being not less than nine- tenth in value of the said shares (other than shares already held at the date of the offer by the transferee company either by itself or by its nominees or subsidiaries).

In pursuance of the provisions of sub-section (1) of section 235 of the Companies Act 2013, notice is further given that the transferee company is desirous of acquiringshares held by you in the transferor company at a price of Rs....., being the price paid to the approving shareholders.

Take further note that if you are not in favour of such acquisition of your shares by the transferee company, then you may apply to the Tribunal within one month hereof. Unless an application is made by you as aforesaid or unless on such application the Tribunal orders otherwise, the transferee company will be entitled and bound to acquire the aforesaid shares held by you in the transferor company on the terms of the above mentioned offer.

Date:

Place:

Signature

(On behalf of transferee company)

FORM NO.CAA.15

[Pursuant to section 238(1)(a) and Rule 28]

Information to be furnished along with circular in relation to any scheme or contract involving the transfer of shares or any class of shares in the transferor company to the transferee company

Details of the transferee company

1.(a) Corporate Identity Number :

(b) Global Location Number :

2. (a) Name of the company:

(b) Registered office address:

(c) E-mail id:

3. Whether the company is

Public company

Private company

OPC

4. (a) Whether the shares of the company are listed on a recognized stock exchange:

Yes

No

(c) If yes, name of the stock exchanges where shares are listed:

5. Main objects/ principal business of the company:

6. Capital structure of the company:

Authorized share capital:

Issued share capital:

Subscribed share capital:

Paid up share capital:

7. Debt structure of the company:

8. Details of the promoters, key managerial personnel, directors of the company:

9. Material interest and effect of the scheme on such interest of:

(i) Key Managerial Personnel

(ii) Promoters

(iii) Directors

(iv) Debenture trustees

(v) Deposit trustees

(vi) Auditors

10.(a) Extent of shareholding of directors, Key Managerial Personnel, promoters, managers, managing directors of the transferee company

Shareholder's name -

Status (whether a director, Key Managerial Personnel, etc.) -

Share type-

Number of shares-

Value per share (Rs.)-

(b) Extent of shareholding of directors, Key Managerial Personnel, promoters, managers, managing director in the transferor company

Shareholder's name-

Status (whether a director, Key Managerial Personnel, etc.)-

Share type -

Number of shares -

Value per share (Rs.)-

11. (a) Offer made by any other person on behalf of the company:

Yes

No

(b) State the interest of the other person in the company:

Details of the transferor company

12. (a) Corporate Identity Number :

(b) Global Location Number :

13. (a) Name of the company:

(b) Registered office address:

(c) E-mail id:

14. Whether the company is

Public company

Private company

One Person Company

15. (a) Whether the shares of the company is listed on a recognized stock exchange:

Yes

No

(b) If yes, name of the stock exchanges where shares are listed:

16. Main objects/ principal business of the company:

17. Capital structure of the company:

Authorized share capital:

Issued share capital:

Subscribed share capital:

Paid up share capital:

18. Debt structure of the company:

19. Details of the promoters, key managerial personnel, directors of the company:

20. Material interest and effect of the scheme on such interest of:

(i) Key Managerial Personnel

(ii) Promoters

(iii) Directors

(iv) Debenture trustees

(v) Deposit trustees

(vi) Auditors

21. (a) Extent of shareholding of directors, Key Managerial Personnel, promoters, managers, managing directors of the transferee company

Shareholder's name-

Status (whether a director, Key Managerial Personnel, etc.)-

Share type -

Number of shares -

Value per share (Rs.)-

(b) Extent of shareholding of directors, Key Managerial Personnel, promoters, managers, managing director in the transferor company

Shareholder's name-

Status (whether a director, Key Managerial Personnel, etc.)-

Share type-

Number of shares-

Value per share (Rs.)-

22. Any relation that subsists between transferor and transferee company:

Details of the scheme

23. Reasons for which the offer has been recommended by director of the transferor company:

24. Form of consideration

Total consideration
<input type="checkbox"/> Cash
<input type="checkbox"/> Other than cash

25. if consideration is other than cash, particulars thereof:

26. if consideration involves the allotment of shares in the transferee company,

(a) Share exchange ratio:

(b) basis of valuation of shares of transferee company:

(c) Full particulars of the shares and the rights attached thereto:

27. Sources from which the transferee company proposes to pay for the acquisition of the said shares, if the consideration is cash:

Declaration

I/We,, directors of the transferor company do solemnly declare that the information given in this statement and enclosures is correct and complete to the best of my/our knowledge.

Date:

Place:

Signature

Enclosures:

1. Details of transfer of shares in the transferor company by its directors, Key Managerial Personnel, promoters, manager, managing director in the two years preceding the offer;
2. Statement of valuation of shares by a registered valuer;
3. Auditor's certificate regarding the offer;
4. Offer document shall contain a statement by or on behalf of transferee company disclosing the steps it has taken to ensure that necessary cash will be available;
5. Details of change of name, registered office and objects of the transferee company;
6. Details of change of name, registered office and objects of the transferor company.

Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

- ✚ In exercise of the powers conferred by sub-sections (1) and (2) of Section 469 read with Sections 230 to 233 and Sections 235 to 240 of the Companies Act, 2013 (18 of 2013), the Central Government made this Rule.
- ✚ It came into force with effect from 15th December, 2016.

Rule 3 - Application for order of a meeting.

(1) An application under sub-section (1) of section 230 of the Act may be submitted in **Form No. NCLT-1** along with:-

- i. a notice of admission in **Form No. NCLT-2**;
- ii. an affidavit in **Form No. NCLT-6**;
- iii. a copy of scheme of compromise or arrangement, which should include disclosures as per sub-section (2) of section 230 of the Act; and
- iv. fee as prescribed in the Schedule of Fees.

(2) Where more than one company is involved in a scheme in relation to which an application under sub-rule (1) is being filed, such application may, at the discretion of such companies, be filed as a joint-application.

(3) Where the company is not the applicant, a copy of the notice of admission and of the affidavit shall be served on the company, or, where the company is being wound up, on its liquidator, not less than fourteen days before the date fixed for the hearing of the notice of admission.

(4) The applicant shall also disclose to the Tribunal in the application under sub-rule (1), the basis on which each class of members or creditors has been identified for the purposes of approval of the scheme.

Rule 4 - Disclosures in application made to the Tribunal for compromise or arrangement – Creditors Responsibility Statement.

For the purposes of sub-clause (i) of clause (c) of sub-section (2) of section 230 of the Act, the creditor's responsibility statement in **Form No. CAA. 1** shall be included in the scheme of corporate debt restructuring.

Explanation:- For the purpose of this rule, it is clarified that a scheme of corporate debt restructuring as referred to in clause (c) of sub-section (2) of section 230 of the Act shall mean a scheme that restructures or varies the debt obligations of a company towards its creditors.

Rule 5 - Directions at hearing of the application.

Upon hearing the application under sub-section (1) of section 230 of the Act, the Tribunal shall, unless it thinks fit for any reason to dismiss the application, give such directions as it may think necessary in respect of the following matters:-

- (a) determining the class or classes of creditors or of members whose meeting or meetings have to be held for considering the proposed compromise or arrangement; or dispensing with the meeting or meetings for any class or classes of creditors in terms of sub-section (9) of section 230;
- (b) fixing the time and place of the meeting or meetings;
- (c) appointing a Chairperson and scrutinizer for the meeting or meetings to be held, as the case may be and fixing the terms of his appointment including remuneration;

(d) fixing the quorum and the procedure to be followed at the meeting or meetings, including voting in person or by proxy or by postal ballot or by voting through electronic means;

Explanation.— For the purposes of these rules, “voting through electronic means” shall take place, mutatis mutandis, in accordance with the procedure as specified in rule 20 of Companies (Management and Administration) Rules, 2014.

(e) determining the values of the creditors or the members, or the creditors or members of any class, as the case may be, whose meetings have to be held;

(f) notice to be given of the meeting or meetings and the advertisement of such notice;

(g) notice to be given to sectoral regulators or authorities as required under sub-section (5) of section 230;

(h) the time within which the chairperson of the meeting is required to report the result of the meeting to the Tribunal; and

(i) such other matters as the Tribunal may deem necessary.

Rule 6 - Notice of meeting

(1) Where a meeting of any class or classes of creditors or members has been directed to be convened, the notice of the meeting pursuant to the order of the Tribunal to be given in the manner provided in sub-section (3) of section 230 of the Act shall be in **Form No. CAA.2** and shall be sent individually to each of the creditors or members.

(2) The notice shall be sent by the Chairperson appointed for the meeting, or, if the Tribunal so directs, by the company (or its liquidator), or any other person as the Tribunal may direct, by registered post or speed post or by courier or by e-mail or by hand delivery or any other mode as directed by the Tribunal to their last known address at least one month before the date fixed for the meeting.

Explanation: - It is hereby clarified that the service of notice of meeting shall be deemed to have been effected in case of delivery by post, at the expiration of forty eight hours after the letter containing the same is posted.

(3) The notice of the meeting to the creditors and members shall be accompanied by a copy of the scheme of compromise or arrangement and a statement disclosing the following details of the compromise or arrangement, if such details are not already included in the said scheme:-

- (i) details of the order of the Tribunal directing the calling, convening and conducting of the meeting:-
 - (a) date of the Order;
 - (b) date, time and venue of the meeting.
- (ii) details of the company including:
 - (a) Corporate Identification Number (CIN) or Global Location Number (GLN) of the company;
 - (b) Permanent Account Number (PAN);
 - (c) name of the company;
 - (d) date of incorporation;
 - (e) type of the company (whether public or private or one-person company);
 - (f) registered office address and e-mail address;
 - (g) summary of main object as per the memorandum of association; and main business carried on by the company;
 - (h) details of change of name, registered office and objects of the company during the last five years;
 - (i) name of the stock exchange (s) where securities of the company are listed, if applicable;

- (j) details of the capital structure of the company including authorised, issued, subscribed and paid up share capital; and
 - (k) names of the promoters and directors along with their addresses.
- (iii) if the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or of associate companies;
- (iv) the date of the board meeting at which the scheme was approved by the board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution;
- (v) explanatory statement disclosing details of the scheme of compromise or arrangement including:-
- (a) parties involved in such compromise or arrangement;
 - (b) in case of amalgamation or merger, appointed date, effective date, share exchange ratio (if applicable) and other considerations, if any;
 - (c) summary of valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at the registered office of the company;
 - (d) details of capital or debt restructuring, if any;
 - (e) rationale for the compromise or arrangement;
 - (f) benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable);
 - (g) amount due to unsecured creditors.

- (vi) disclosure about the effect of the compromise or arrangement on:
- (a) key managerial personnel;
 - (b) directors;
 - (c) promoters;
 - (d) non-promoter members;
 - (e) depositors;
 - (f) creditors;
 - (g) debenture holders;
 - (h) deposit trustee and debenture trustee;
 - (i) employees of the company:

(vii) Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel (KMP) and debenture trustee.

Explanation – For the purposes of these rules it is clarified that-

- (a) the term 'interest' extends beyond an interest in the shares of the company, and is with reference to the proposed scheme of compromise or arrangement.
- (b) the valuation report shall be made by a registered valuer, and till the registration of persons as valuers is prescribed under section 247 of the Act, the valuation report shall be made by an independent merchant banker who is registered with the Securities and Exchange Board or an independent chartered accountant in practice having a minimum experience of ten years.

(viii) investigation or proceedings, if any, pending against the company under the Act.

(ix) details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or for inspection by the members and creditors, namely:

- (a) latest audited financial statements of the company including consolidated financial statements;
- (b) copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with;
- (c) copy of scheme of compromise or arrangement;
- (d) contracts or agreements material to the compromise or arrangement;
- (e) the certificate issued by Auditor of the company to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and
- (f) such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the scheme;

(x) details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or arrangement.

(xi) a statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means.

Explanation- For the purposes of this rule, disclosure required to be made by a company shall be made in respect of all the companies, which are part of the compromise or arrangement.

Rule 7 - Advertisement of the notice of the meeting.

The notice of the meeting under sub-section (3) of Section 230 of the Act shall be advertised in **Form No. CAA.2** in at least one English newspaper and in at least one vernacular newspaper having wide circulation in the State in which the registered office of the company is situated, or such newspapers as may be directed by the Tribunal and shall also be placed, not less than thirty days before the date fixed for the meeting, on the website of the company (if any) and in case of listed companies also on the website of the SEBI and the recognized stock exchange where the securities of the company are listed:

Provided that where separate meetings of classes of creditors or members are to be held, a joint advertisement for such meetings may be given.

Rule 8 - Notice to statutory authorities.

(1) For the purposes of sub-section (5) of section 230 of the Act, the notice shall be in **Form No. CAA.3**, and shall be accompanied with a copy of the scheme of compromise or arrangement, the explanatory statement and the disclosures mentioned under rule 6, and shall be sent to.-

- (i) the Central Government, the Registrar of Companies, the Income-tax authorities, in all cases;
- (ii) the Reserve Bank of India, the Securities and Exchange Board of India, the Competition Commission of India, and the stock exchanges, as may be applicable ;
- (iii) other sectoral regulators or authorities, as required by Tribunal.

(2) The notice to the authorities mentioned in sub-rule (1) shall be sent forthwith, after the notice is sent to the members or creditors of the company, by registered post or by speed post or by courier or by hand delivery at the office of the authority.

(3) If the authorities referred to under sub-rule (1) desire to make any representation under sub-section (5) of section 230, the same shall be sent to the Tribunal within a period of thirty days from the date of receipt of such notice and copy of such representation shall simultaneously be sent to the concerned companies and in case no representation is received within the stated period of thirty days by the Tribunal, it shall be presumed that the authorities have no representation to make on the proposed scheme of compromise or arrangement.

Rule 9 - Voting.

The person who receives the notice may within one month from the date of receipt of the notice vote in the meeting either in person or through proxy or through postal ballot or through electronic means to the adoption of the scheme of compromise and arrangement.

Explanation - For the purposes of voting by persons who receive the notice as shareholder or creditor under this rule-

- (a) "shareholding" shall mean the shareholding of the members of the class who are entitled to vote on the proposal; and
- (b) "outstanding debt" shall mean all debt owed by the company to the respective class or classes of creditors that remains outstanding as per the latest audited financial statement, or if such statement is more than six months old, as per provisional financial statement not preceding the date of application by more than six months.

Rule 10 - Proxies

(1) Voting by proxy shall be permitted, provided a proxy in the prescribed form duly signed by the person entitled to attend and vote at the meeting is filed with the company at its registered office not later than 48 hours before the meeting.

(2) Where a body corporate which is a member or creditor (including holder of debentures) of a company authorises any person to act as its representative at the meeting, of the members or creditors of the company, or of any class of them, as the case may be, a copy of the resolution of the Board of Directors or other governing body of such body corporate authorising such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the company at its registered office not later than 48 hours before the meeting.

(3) No person shall be appointed as a proxy who is a minor.

(4) The proxy of a member or creditor blind or incapable of writing may be accepted if such member or creditor has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address : provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the member or creditor before he attached his signature or mark.

(5) The proxy of a member or creditor who does not know English may be accepted if it is executed in the manner prescribed in the preceding sub-rule and the witness certifies that it was explained to the member or creditor in the language known to him, and gives the member's or creditor's name in English below the signature.

Rule 11- Copy of compromise or arrangement to be furnished by the company

Every creditor or member entitled to attend the meeting shall be furnished by the company, free of charge, within one day on a requisition being made for the same, with a copy of the scheme of the proposed compromise or arrangement together with a copy of the statement required to be furnished under section 230 of Act.

Rule 12 -Affidavit of service

(1) The Chairperson appointed for the meeting of the company or other person directed to issue the advertisement and the notices of the meeting shall file an affidavit before the Tribunal not less than seven days before the date fixed for the meeting or the date of the first of the meetings, as the case may be, stating that the directions regarding the issue of notices and the advertisement have been duly complied with.

(2) In case of default under sub-rule (1), the application along with copy of the last order issued shall be posted before the Tribunal for such orders as it may think fit to make.

Rule 13 - Result of the meeting to be decided by voting

(1) The voting at the meeting or meetings held in pursuance of the directions of the Tribunal under Rule 5 on all resolutions shall take place by poll or by voting through electronic means.

(2) The report of the result of the meeting under sub - rule (1) shall be in **Form No. CAA. 4** and shall state accurately the number of creditors or class of creditors or the number of members or class of members, as the case may be, who were present and who voted at the meeting either in person or by proxy, and where applicable, who voted through electronic means, their individual values and the way they voted.

Rule 14 - Report of the result of the meeting by Chairperson

The Chairperson of the meeting (or where there are separate meetings, the Chairperson of each meeting) shall, within the time fixed by the Tribunal, or where no time has been fixed, within three days after the conclusion of the meeting, submit a report to the Tribunal on the result of the meeting in **Form No. CAA.4**.

Rule 15 - Petition for confirming compromise or arrangement

(1) Where the proposed compromise or arrangement is agreed to by the members or creditors or both as the case may be, with or without modification, the company (or its liquidator), shall, within seven days of the filing of the report by the Chairperson, present a petition to the Tribunal in **Form No. CAA.5** for sanction of the scheme of compromise or arrangement.

(2) Where a compromise or arrangement is proposed for the purposes of or in connection with scheme for the reconstruction of any company or companies, or for the amalgamation of any two or more companies, the petition shall pray for appropriate orders and directions under section 230 read with section 232 of the Act.

(3) Where the company fails to present the petition for confirmation of the compromise or arrangement as aforesaid, it shall be open to any creditor or member as the case may be, with the leave of the Tribunal, to present the petition and the company shall be liable for the cost thereof.

Rule 16 - Date and notice of hearing

(1) The Tribunal shall fix a date for the hearing of the petition, and notice of the hearing shall be advertised in the same newspaper in which the notice of the meeting was advertised, or in such other newspaper as the Tribunal may direct, not less than ten days before the date fixed for the hearing.

(2) The notice of the hearing of the petition shall also be served by the Tribunal to the objectors or to their representatives under sub-section (4) of section 230 of the Act and to the Central Government and other authorities who have made representation under rule 8 and have desired to be heard in their representation.

Rule 17 - Order on petition

(1) Where the Tribunal sanctions the compromise or arrangement, the order shall include such directions in regard to any matter or such modifications in the compromise or arrangement as the Tribunal may think fit to make for the proper working of the compromise or arrangement.

(2) The order shall direct that a certified copy of the same shall be filed with the Registrar of Companies within thirty days from the date of the receipt of copy of the order, or such other time as may be fixed by the Tribunal.

(3) The order shall be in **Form No. CAA. 6**, with such variations as may be necessary.

Rule 18 - Application for directions under section 232 of the Act

(1) Where the compromise or arrangement has been proposed for the purposes of or in connection with a scheme for the reconstruction of any company or companies or the amalgamation of any two or more companies, and the matters involved cannot be dealt with or dealt with adequately on the petition for sanction of the compromise or arrangement, an application shall be made to the Tribunal under section 232 of the Act, by a notice of admission supported by an affidavit for directions of the Tribunal as to the proceedings to be taken.

(2) Notice of admission in such cases shall be given in such manner and to such persons as the Tribunal may direct.

Rule 19 - Directions at hearing of application

Upon the hearing of the notice of admission given under rule 18 or upon any adjourned hearing thereof, the Tribunal may make such order or give such directions as it may think fit, as to the proceedings to be taken for the purpose of reconstruction or amalgamation, as the case may be, including, where necessary, an inquiry as to the creditors of the

transferor company and the securing of the debts and claims of any of the dissenting creditors in such manner as the Tribunal may think just and appropriate.

Rule 20 - Order under section 232 of the Act

An order made under section 232 read with section 230 of the Act shall be in **Form No.CAA.7** with such variation as the circumstances may require

Rule 21 - Statement of compliance in mergers and amalgamations.

For the purpose of sub-section (7) of section 232 of the Act, every company in relation to which an order is made under sub-section (3) of section 232 of the Act shall until the scheme is fully implemented, file with the Registrar of Companies, the statement in Form No. CAA.8 along with such fee as specified in the Companies (Registration Offices and Fees) Rules, 2014 within two hundred and ten days from the end of each financial year.

Rule 22 - Report on working of compromise or arrangement.

At any time after issuing an order sanctioning the compromise or arrangement, the Tribunal may, either on its own motion or on the application of any interested person, make an order directing the company or where the company is being wound-up, its liquidator, to submit to the Tribunal within such time as the Tribunal may fix, a report on the working of the said compromise or arrangement and on consideration of the report, the Tribunal may pass such orders or give such directions as it may think fit.

Rule 23 - Liberty to apply

(1) The company, or any creditor or member thereof, or in case of a company which is being wound-up, its liquidator, may, at any time after

the passing of the order sanctioning the compromise or arrangement, apply to the Tribunal for the determination of any question relating to the working of the compromise or arrangement.

(2) The application shall in the first instance be posted before the Tribunal for directions as to the notices and the advertisement, if any, to be issued, as the Tribunal may direct.

(3) The Tribunal may, on such application, pass such orders and give such directions as it may think fit in regard to the matter, and may make such modifications in the compromise or arrangement as it may consider necessary for the proper working thereof, or pass such orders as it may think fit in the circumstances of the case.

Rule 24 - Liberty of the Tribunal

(1) At any time during the proceedings, if the Tribunal hearing a petition or application under these Rules is of the opinion that the petition or application or evidence or information or statement is required to be filed in the form of affidavit, the same may be ordered by the Tribunal in the manner as the Tribunal may think fit.

(2) The Tribunal may pass any direction(s) or order or dispense with any procedure prescribed by these rules in pursuance of the object of the provisions for implementation of the scheme of arrangement or compromise or restructuring or otherwise practicable except on those matters specifically provided in the Act.

Rule 25 - Merger or Amalgamation of certain companies

(1) The notice of the proposed scheme, under clause (a) of sub-section (1) of section 233 of the Act, to invite objections or suggestions from the Registrar and Official Liquidator or persons affected by the scheme shall be in **Form No. CAA.9**.

(2) For the purposes of clause (c) of sub-section (1) of section 233 of the Act the declaration of solvency shall be filed by each of the

companies involved in the scheme of merger or amalgamation in **Form No. CAA.10** along with the fee as provided in the Companies (Registration Offices and Fees) Rules, 2014, before convening the meeting of members and creditors for approval of the scheme.

(3) For the purposes of clause (b) and (d) of sub-section (1) of section 233 of the Act, the notice of the meeting to the members and creditors shall be accompanied by -

- (a) a statement, as far as applicable, referred to in sub-section (3) of section 230 of the Act read with sub-rule (3) of rule 6 hereof;
- (b) the declaration of solvency made in pursuance of clause (c) of sub-section (1) of section 233 of the Act in **Form No. CAA.10**;
- (c) a copy of the scheme.

(4)(a) For the purposes of sub-section (2) of section 233 of the Act, the transferee company shall, within seven days after the conclusion of the meeting of members or class of members or creditors or class of creditors, file a copy of the scheme as agreed to by the members and creditors, along with a report of the result of each of the meetings in **Form No. CAA.11** with the Central Government, along with the fees as provided under the Companies (Registration Offices and Fees) Rules, 2014.

(b) Copy of the scheme shall also be filed, along with **Form No. CAA. 11** with -

- (i) the Registrar of Companies in Form No. GNL-1 along with fees provided under the Companies (Registration Offices and Fees) Rules, 2014; and
- (ii) the Official Liquidator through hand delivery or by registered post or speed post.

(5) Where no objection or suggestion is received to the scheme from the Registrar of Companies and Official Liquidator or where the objection or suggestion of Registrar and Official Liquidator is deemed to be not

sustainable and the Central Government is of the opinion that the scheme is in the public interest or in the interest of creditors, the Central Government shall issue a confirmation order of such scheme of merger or amalgamation in **Form No. CAA.12**.

(6) Where objections or suggestions are received from the Registrar of Companies or Official Liquidator and the Central Government is of the opinion, whether on the basis of such objections or otherwise, that the scheme is not in the public interest or in the interest of creditors, it may file an application before the Tribunal in Form No. CAA.13 within sixty days of the receipt of the scheme stating its objections or opinion and requesting that Tribunal may consider the scheme under section 232 of the Act.

(7) The confirmation order of the scheme issued by the Central Government or Tribunal under sub-section (7) of section 233 of the Act, shall be filed, within thirty days of the receipt of the order of confirmation, in **Form INC-28** along with the fees as provided under Companies (Registration Offices and Fees) Rules, 2014 with the Registrar of Companies having jurisdiction over the transferee and transferor companies respectively.

(8) For the purpose of this rule, it is clarified that with respect to schemes of arrangement or compromise falling within the purview of section 233 of the Act, the concerned companies may, at their discretion, opt to undertake such schemes under sections 230 to 232 of the Act, including where the condition prescribed in clause (d) of sub-section (1) of section 233 of the Act has not been met.

Rule 26 - Notice to dissenting shareholders for acquiring the shares

For the purposes of sub-section (1) of section 235 of the Act, the transferee company shall send a notice to the dissenting shareholder(s) of the transferor company, in **Form No. CAA.14** at the last intimated address of such shareholder, for acquiring the shares of such dissenting shareholders.

Rule 27 - Determination of price for purchase of minority shareholding

For the purposes of sub-section (2) of section 236 of the Act, the registered valuer shall determine the price (hereinafter called as offer price) to be paid by the acquirer, person or group of persons referred to in sub-section (1) of section 236 of the Act for purchase of equity shares of the minority shareholders of the company, in accordance with the following rules:-

(1) In the case of a listed company,-

- (i) the offer price shall be determined in the manner as may be specified by the Securities and Exchange Board of India under the relevant regulations framed by it, as may be applicable; and
- (ii) the registered valuer shall also provide a valuation report on the basis of valuation addressed to the Board of directors of the company giving justification for such valuation.

(2) In the case of an unlisted company and a private company,

- (i) the offer price shall be determined after taking into account the following factors:-
 - a) the highest price paid by the acquirer, person or group of persons for acquisition during last twelve months;
 - b) the fair price of shares of the company to be determined by the registered valuer after taking into account valuation parameters including return on net worth, book value of shares, earning per share, price earning multiple vis-à-vis the industry average, and such other parameters as are customary for valuation of shares of such companies; and
- (ii) the registered valuer shall also provide a valuation report on the basis of valuation addressed to the board of directors of the company giving justification for such valuation.

Rule 28 - Circular containing scheme of amalgamation or merger

(1) For the purposes of clause (a) of sub-section (1) of section 238 of the Act, every circular containing the offer of scheme or contract involving transfer of shares or any class of shares and recommendation to the members of the transferor company by its directors to accept such offer, shall be accompanied by such information as set out in **Form No. CAA.15**.

(2) The circular shall be presented to the Registrar for registration.

Rule 29 - Appeal under sub-section (2) of section 238 of the Act

Any aggrieved party may file an appeal against the order of the Registrar of Companies refusing to register any circular under sub-section (2) of section 238 of the Act and the said appeal shall be in the **Form No. NCLT.9** supported with an affidavit in the **Form No. NCLT.6**

Schedule Of Fees

S. No.	Sections of the Companies Act, 2013	Rule Number	Nature of application or petition	Fees
1.	Sub-section (1) of section 230	3 (1)	Application for compromise arrangement and amalgamation.	Rs. 5,000/-
2.	Sub-section (2) of section 235		Application by dissenting shareholders.	Rs. 1,000/-
3.	Sub-section (2) of section 238	29	Appeal against order of Registrar refusing to register any circular.	Rs. 2,000/-

NCLT/NCLAT- AT A GLANCE

Ch-27: NCLT/NCLAT (Sec-407-434):

1. **Original Jurisdiction** of CLB, High Court (HC)/District Court (DC) (Arbitration/Compromise/Arrangement/ Reconstruction under Ch-V of Part-VI & winding up under Part-VII) Under Companies Act, 1956; BIFR under SICA, 1985; DRT under RDDBFI Act, 1993 & SARFAESI Act, 2002 are **subsumed to NCLT**.
3. CLB, BIFR & AAIFR are completely **done away with**. HC/DC/DRT **burden is reduced**.
4. **Appellate Jurisdiction** of HC, AAIFR, DRAT is **subsumed to NCLAT**.
5. **Additional 2-tier appellate jurisdiction** is created first to NCLAT (Sec-421) & second to SC (Sec-423).
6. 5 significant NCLT/NCLAT's power provisions U/S-420, 422, 424, 425, 429 & 2 miscellaneous provisions U/S-432, 433 under Ch-27 are worth noting.
7. NCLT/NCLAT is intended as **one-stop quasi-judicial forum for all company related following disputes:**
 - a. **Various powers under various provisions of the Companies, Act, 2013,**
 - b. **Mergers, Demergers, and Amalgamation etc.,**
 - c. **Oppression & Mismanagement,**
 - d. **Revival & Reconstruction of Sick Company,**
 - e. **Winding Up,**
 - f. **Disputes pertaining to failure to repay Deposits, failure to pay interest on Loans and redemption of Debentures,**
 - g. **Compounding of certain offences.**
 - h. **Insolvency & Bankruptcy resolution process & liquidation of corporate debtors under Insolvency and Bankruptcy Code, 2016.**

Definition (Sec-407):

8. Defines **Chairman, President, Judicial & Technical Member & Member**.

CONSTITUTION, QUALIFICATION, SELECTION, TERM, SALARY, RESIGNATION, REMOVAL, BENCHES (Sec-408-419):

9. NCLT is **constituted** (Sec-408) with President **Justice M M Kumar** and NCLAT is constituted (Sec-410) with Chairman **Justice Mukhopadhyay** w.e.f. 01.06.2016.

POWERS & RESPONSIBILITIES (Sec-420-429):

10. NCLT has power to rectify **mistake**, akin to **review jurisdiction**, within 2 years (Sec-420(2)).
11. **Appeal to NCLAT within 45 days** & not exceeding condoned addl. 45 days (Sec-421).
12. **Appeal to SC within 60 days** & not exceeding condoned addl. 60 days (Sec-423).

13. NCLT/NCLAT to **dispose expeditiously** within 3 months & not exceeding addl. 90 days (Sec-422).
14. **Procedure** before NCLT/NCLAT **not** be **bound** by CPC, 1908, **guided** by *principles of natural justice* subject to power of NCLT/NCLAT to **regulate** their **own procedure** (Sec-424(1)).
15. NCLT/NCLAT have **powers** of **civil court** (Sec-424(2)).
16. NCLT/NCLAT can **enforce** its orders like a court decree and also can send to another court for its execution (Sec-424(3)).
17. Proceedings before NCLT/NCLAT is **deemed judicial proceedings** within meaning of Sec-193/228 & for purposes of Sec-196 of IPC, 1860; NCLT/NCLAT **deemed civil court** for purposes of Sec-195 & Ch-XXVI of CrPC, 1973 (Sec-424(4)).
18. NCLT/NCLAT's **contempt** power (Sec-425).
19. NCLT/NCLAT **authorises** any **person** to **enquire** and **report** into any matter connected with proceedings (Sec-426).
20. In order to **take into custody/control** property, books etc of a sick company or winding up proceeding, **NCLT** may request to **CMM/CJM/DC** to take possession thereof, who shall take possession and entrust them to NCLT (Sec-429(1)).
21. **CMM/CJM/DC** take steps including **using force** to take possession etc. (Sec-429(2)).

MISCELLANEOUS (Sec-430-434):

22. **No Civil Court to have jurisdiction** and no injunction by any court (Sec-430).
23. CA, CS, CMA, Advocate or any other person may **appear as representative** (Sec-432).
24. **Limitation** Act, 1963 to apply (Sec-433).
25. **Transfer** of certain pending proceedings -Sec-434:
 - a. All cases pending before CLB **stand transferred** to NCLT-Sec-434(1)(a),
 - b. Person aggrieved by CLB's Order may **file appeal** to HC-Sec-434(1)(b),
 - c. All proceedings before DC/HC **stand transferred** to NCLT--Sec-434(1)(c),
 - d. All Appeal/Reference/Inquiry/Proceeding before AAIFR/BIFR **stand abated**. Said company may make **fresh reference** to NCLT within 180 days--Sec-434(1)(d).

Chapter XXVII of the Companies Act, 2013 NCLT/NCLAT (Section 407 to 434)

407. Definitions

In this Chapter, unless the context otherwise requires, —

- (a) “**Chairperson**” means the Chairperson of the Appellate Tribunal;
- (b) “**Judicial Member**” means a member of the Tribunal or the Appellate Tribunal appointed as such and includes the President or the Chairperson, as the case may be;
- (c) “**Member**” means a member, whether judicial or Technical of the Tribunal or the Appellate Tribunal and includes the President or the Chairperson, as the case may be;
- (d) “**President**” means the President of the Tribunal;
- (e) “**Technical Member**” means a member of the Tribunal or the Appellate Tribunal appointed as such.

408. Constitution of National Company law Tribunal

The Central Government shall, by notification, **constitute**, with effect from such date as may be specified therein, a Tribunal to be known as the National Company Law Tribunal consisting of a President and **such number** of Judicial and Technical members, as the Central Government may deem necessary, to be appointed by it by notification, to exercise and discharge such powers and functions as are, or may be, conferred on it by or under this Act or any other law for the time being in force.

409. Qualification of President & Members of Tribunal

- (1) The **President** shall be a person who is or has been a Judge of a High Court for **five years**.
- (2) A person shall not be **qualified** for appointment as a **Judicial Member** unless he—
 - (a) is, or has been, a judge of a **High Court**; or
 - (b) is, or has been, a **District Judge** for at least **five years**; or
 - (c) has, for at least **ten years** been an **advocate** of a court.

Explanation.—For the purposes of clause (c), in computing the period during which a person has been an advocate of a court, there shall be included any period during which the person has held judicial office or the office of a member of a tribunal or any post, under the Union or a State, requiring special knowledge of law after he become an advocate.

- (3) A person shall not be **qualified** for appointment as a **Technical Member** unless he—
 - (a) has, for at least **fifteen years** been a member of the **Indian Corporate Law Service** or **Indian Legal Service** out of which at least **three years** shall be in the pay scale of **Joint Secretary** to the Government of India or equivalent or above in that service; or
 - (b) is, or has been, in practice as a chartered accountant for at least fifteen years; or
 - (c) is, or has been, in practice as a cost accountant for at least fifteen years; or
 - (d) is, or has been, in practice as a company secretary for at least fifteen years; or
 - (e) is a **person** of proven **ability, integrity** and **standing** having **special knowledge** and **experience**, of not less than **fifteen years**, in law, industrial finance, industrial management or administration, industrial reconstruction, investment, accountancy, labour matters, or such other disciplines related to management, conduct of affairs, revival, rehabilitation and winding up of companies; or
 - (f) is, or has been, for at least **five years**, a presiding officer of a **Labour Court, Tribunal** or National Tribunal constituted under the Industrial Disputes Act, 1947.

410. Constitution of Appellate Tribunal

The Central Government shall, by notification, constitute, with effect from such date as may be specified therein, an Appellate Tribunal to be known as the National Company Law Appellate Tribunal consisting of a chairperson and such number of Judicial and Technical Members, **not exceeding eleven**, as the Central Government may deem fit, to be appointed by it by notification, for hearing appeals against the orders of the Tribunal.

411. Qualifications of Chair-person & Members of Appellate Tribunal

- (1) The chairperson shall be a person who is or has been a **Judge of the Supreme Court** or the **Chief Justice of a High Court**.
- (2) A **Judicial Member** shall be a person who is or has been a **Judge of a High Court** or is a Judicial Member of the **Tribunal for five years**.
- (3) A **Technical Member** shall be a person of **proven ability, integrity and standing having special knowledge and experience**, of not less than **twenty-five years**, in law, industrial finance, industrial management or administration, industrial reconstruction, investment, accountancy, labour matters, or such other disciplines related to management, conduct of affairs, revival, rehabilitation and winding up of companies.

412. Selection of members of tribunal & Appellate Tribunal

- (1) The **President** of the Tribunal and the **chairperson** and Judicial Members of the Appellate Tribunal, shall be appointed after **consultation with the Chief Justice of India**.
- (2) The **Members** of the Tribunal and the Technical Members of the Appellate Tribunal shall be appointed **on the recommendation of a Selection Committee** consisting of –
 - (a) **Chief Justice of India** or his nominee – **Chairperson**;
 - (b) a **senior Judge** of the Supreme Court or a Chief Justice of High Court – **Member**;
 - (c) **Secretary** in the Ministry of Corporate Affairs – **Member**;
 - (d) **Secretary** in the Ministry of Law and Justice – **Member**; and
 - (e) **Secretary** in the Department of Financial Services in the Ministry of **Finance** – **Member**.
- (3) The Secretary, **Ministry of Corporate Affairs** shall be the **Convener** of the Selection Committee.
- (4) The Selection Committee shall **determine its procedure for recommending** persons under sub-section (2).
- (5) No appointment of the Members of the Tribunal or the Appellate Tribunal shall be invalid merely by reason of any vacancy or any defect in the constitution of the Selection Committee.

413. Terms of office of President, Chairperson and other Members

- (1) The **President** and every other **Member** of the **Tribunal** shall **hold office** as such for a term of **five years** from the date on which he enters upon his office, but shall be **eligible for re-appointment for another term of five years**
- (2) A **Member** the Tribunal shall **hold office** as such **until** he attains, –
 - (a) in the case of the **President**, the age of **sixty-seven years**;
 - (b) in the case of any **other Member**, the age of **sixty-five years**:

Provided that a person who has **not completed fifty years of age** shall **not be eligible for appointment as Member**:

Provided further that the Member may **retain his lien with his parent cadre** or Ministry or Department, as the case may be, while holding office as such for a **period not exceeding one year.**

- (3) The **chairperson** or a **Member** of the **Appellate Tribunal** shall hold office as such for a term of **five years** from the date on which he enters upon his office, but shall be **eligible for re-appointment for another term of five years.**
- (4) A Member of the Appellate Tribunal shall hold office as such until he attains,—
 - (a) in the case of the **Chairperson**, the age of **seventy years**;
 - (b) in the case of any other **Member**, the age of **sixty-seven years**:

Provided that a person who has **not completed fifty years** of age shall not **eligible for appointment as Member:**

Provided further that the Member **may retain his lien** with his parent cadre or Ministry or Department, as the case may be, while holding office as such for a period not exceeding one year.

414. Salary, allowances and other terms and conditions of service of members

The salary, allowances and other terms and conditions of service of the Members of the Tribunal and the Appellate Tribunal shall be such as may be prescribed:

Provided that neither the salary and allowances nor the other terms and conditions of service of the Members shall be varied to their disadvantage after their appointment.

415. Acting President and Chairperson of Tribunal or Appellate Tribunal

- (1) In the event of the **occurrence of any vacancy in the office of the President or the Chairperson** by reason of his **death, resignation or otherwise**, the senior-most Member shall act as the President or the Chairperson, as the case may be, until the date on which a new President or Chairperson appointed in accordance with the provisions of this Act to fill such vacancy enters upon his office.
- (2) When the President or the Chairperson is unable to discharge his functions **owing to absence, illness or any other cause**, the senior-most Member shall discharge the functions of the President or the Chairperson, as the case may be, until the date on which the President or the Chairperson resumes his duties.

416. Resignation of Members

The President, the Chairperson or any Member may, by notice in writing under his hand addressed to the Central Government, resign from his office:

Provided that the President, the Chairperson, or the Member **shall continue to hold office until the expiry of three months** from the **date of receipt** of such notice by the Central Government or until a **person duly appointed** as his **successor enters** upon his office or until the **expiry of his term of office**, whichever is **earliest**.

417. Removal of Members

- (1) The Central Government may, after **consultation with the Chief Justice of India**, **remove** from office the President, Chairperson or any Member, who—
 - a. has been adjudged an **insolvent**; or
 - b. has been **convicted** of an offence which, in the opinion of the Central Government, involves **moral turpitude**; or
 - c. has become **physically or mentally incapable** of acting as such President, the Chairperson, or Member; or

- d. has **acquired** such **financial or other interest** as is likely to affect prejudicially his functions as such President, the Chairperson or Member; or Salary, allowances and other terms and conditions of service of Members
 - e. has so **abused his position** as to render his continuance in office prejudicial to the public interest: Provided that the President, the Chairperson or the Member shall not be removed on any of the **grounds** specified in **clauses (b) to (e) without** giving him a reasonable **opportunity of being heard**.
- (2) Without prejudice to the provisions of sub-section (1), the President, the Chairperson or the Member shall **not be removed** from his **office except** by an order made by the Central Government **on the ground** of **proved misbehavior or incapacity after an inquiry** made by a Judge of the Supreme Court nominated by the Chief Justice of India on a reference made to him by the Central Government in which such President, the Chairperson or Member had been informed of the charges against him and given a reasonable **opportunity of being heard**.
 - (3) The Central Government may, **with the concurrence of the Chief Justice of India, suspend from office**, the President, the Chairperson or Member in respect of whom reference has been made to the Judge of the Supreme Court under sub-section (2) **until** the Central Government has **passed orders** on receipt of the report of the Judge of the Supreme Court on such reference.
 - (4) The **Central Government** shall, after consultation with the Supreme Court, make rules to regulate the procedure for the inquiry on the ground of proved misbehavior or incapacity referred to in sub-section (2).

418. Staff of Tribunal and Appellate Tribunal

- (1) The Central Government shall, in consultation with the Tribunal and the Appellate Tribunal, provide the Tribunal and the Appellate Tribunal, as the case may be, with such officers and other employees as may be necessary for the exercise of the powers and discharge of the functions of the Tribunal and the Appellate Tribunal.
- (2) The officers and other employees of the Tribunal and the Appellate Tribunal shall discharge their functions under the general superintendence and control of the President, or as the case may be, the Chairperson, or any other Member to whom powers for exercising such superintendence and control are delegated by him.
- (3) The salaries and allowances and other conditions of service of the officers and other employees of the Tribunal and the Appellate Tribunal shall be such as may be prescribed.

419. Benches of Tribunal

- (1) There shall be constituted **such number** of Benches of the Tribunal, as may, by notification, be specified by the Central Government.
- (2) The Principal Bench of the Tribunal shall be **at New Delhi** which shall be presided over by the President of the Tribunal.
- (3) The powers of the Tribunal shall be exercisable by Benches consisting of **two Members** out of whom one shall be a Judicial Member and the other shall be a Technical Member:

Provided that **it shall be competent** for the Members of the Tribunal authorized in this behalf to function as a **Bench consisting of a single Judicial Member** and exercise the powers of the Tribunal in respect of such class of cases or such matters pertaining to such class of cases, as the President may, by general or special order, specify:

Provided further that if at any stage of the hearing of any such case or matter, it appears to the Member that the case or matter is of such a nature that it ought

to be heard by a Bench consisting of two Members, the case or matter may be transferred by the President, or, as the case may be, referred to him for transfer, to such Bench as the President may deem fit.

- (4) The President shall, for the disposal of any case relating to **rehabilitation, restructuring, reviving or winding up**, of companies, constitute one or more **Special Benches** consisting of **three or more Members**, majority necessarily being of Judicial Members.
- (5) If the Members of a Bench differ in opinion on any point or points, it shall be decided according to the majority, if there is a majority, but if the Members are equally divided, they shall state the point or points on which they differ, and the case shall be referred by the President for hearing on such point or points by one or more of the other Members of the Tribunal and such point or points shall be decided according to the opinion of the majority of Members who have heard the case, including those who first heard it.

420. Orders of Tribunal

- (1) The Tribunal may, after giving the parties to any proceeding before it, a reasonable opportunity of being heard, pass such orders thereon as it thinks fit.
- (2) The Tribunal **may**, at any time **within two years** from the date of the order, with a view to **rectifying any mistake** apparent from the **record**, amend any order passed by it, and **shall** make such amendment, if the mistake is brought to its notice by the parties: Provided that no such amendment shall be made in respect of any order against which an appeal has been preferred under this Act.
- (3) The Tribunal shall **send a copy** of every order passed under this section **to all the parties concerned**.

421. Appeal from orders of Tribunal

- (1) Any **person aggrieved** by an order of the Tribunal may prefer an appeal to the Appellate Tribunal.
- (2) **No appeal** shall lie to the Appellate Tribunal from an order made by the Tribunal with the **consent** of parties.
- (3) Every appeal under sub-section (1) shall be filed within a period of **forty-five days** from the date on which a copy of the order of the Tribunal is made available to the person aggrieved and shall be in such form, and accompanied by such **fees**, as may be prescribed:
- (4) Provided that the Appellate Tribunal **may entertain an appeal after** the expiry of the said period of **forty-five days** from the date aforesaid, but within a further period **not exceeding forty-five days**, if it is satisfied that the appellant was prevented by **sufficient cause** from filing the appeal within that period.
- (5) On the receipt of an appeal under sub-section (1), the Appellate Tribunal shall, after giving the parties to the appeal a **reasonable opportunity** of being heard, pass such orders thereon as it thinks fit, confirming, modifying or setting aside the order appealed against.
- (6) The Appellate Tribunal shall send a copy of every order made by it to the Tribunal and the parties to appeal.

422. Expeditious disposal by Tribunal & Appellate Tribunal

- (1) Every application or petition presented before the Tribunal and every appeal filed before the Appellate Tribunal shall be dealt with and **disposed of by** it as **expeditiously** as possible and **every Endeavour** shall be made by the Tribunal or the Appellate Tribunal, as the case may be, for the disposal of such application or petition

or appeal **within three months** from the date of its presentation before the Tribunal or the filing of the appeal before the Appellate Tribunal.

- (2) Where any application or petition or appeal is not disposed of within the period specified in sub-section (1), the Tribunal or, as the case may be, the Appellate Tribunal, **shall record the reasons** for not disposing of the application or petition or the appeal, as the case may be, within the period so specified; and the **President** or the **Chairperson**, as the case may be, may, after taking into account the reasons so recorded, **extend the period** referred to in sub-section (1) by such period **not exceeding ninety days** as he may consider necessary.

423. Appeal to Supreme Court

Any person aggrieved by any order of the Appellate Tribunal **may file an appeal** to the **Supreme Court** within **sixty days** from the date of receipt of the order of the Appellate Tribunal to him on any **question of law** arising out of such order: Orders of Tribunal. Appeal from orders of Tribunal.

Provided that the Supreme Court may, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal within the said period, allow it to be filed within a further period **not exceeding sixty days**.

424. Procedure before Tribunal & Appellate Tribunal

- (1) The Tribunal and the Appellate Tribunal **shall not**, while disposing of any proceeding before it or, as the case may be, an appeal before it, **be bound by** the procedure laid down in the **Code of Civil Procedure, 1908**, but shall be **guided by the principles of natural justice**, and, subject to the other provisions of this Act and of any rules made thereunder, the Tribunal and the Appellate Tribunal **shall have power to regulate their own procedure**.
- (2) The Tribunal and the Appellate Tribunal shall have, for the purposes of discharging their functions under this Act, the same **powers** as are **vested in a civil court** under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—
 - (a) **summoning and enforcing the attendance** of any person and examining him on oath;
 - (b) requiring the **discovery and production** of documents;
 - (c) receiving **evidence on affidavits**;
 - (d) subject to the provisions of sections 123 and 124 of the Indian Evidence Act, 1872, **requisitioning any public record or document** or a copy of such record or document from any office;
 - (e) issuing commissions for the **examination of witnesses or documents**;
 - (f) **dismissing** a representation for **default** or **deciding it ex parte**;
 - (g) **setting aside** any order of dismissal of any representation for default or any **order** passed by it *ex parte*; and
 - (h) **any other matter** which may be prescribed.
- (3) **Any order** made by the Tribunal or the Appellate Tribunal may be **enforced** by that Tribunal in the same manner **as if it were a decree** made by a court in a suit pending therein, and it shall be lawful for the Tribunal or the Appellate Tribunal **to send for execution** of its **orders** to the court within the local limits of whose jurisdiction,—
 - (a) in the case of an order **against a company**, the **registered office** of the company is **situate**; or
 - (b) in the case of an order against **any other person**, the person concerned **voluntarily resides or carries on business or personally works for gain**.
- (4) All proceedings before the Tribunal or the Appellate Tribunal shall be **deemed** to be **judicial proceedings** within the meaning of sections 193 and 228, and for the purposes of section 196 of the Indian Penal Code, and the Tribunal and the Appellate Tribunal

shall be **deemed** to be **civil court** for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

425. Power to punish for contempt

The Tribunal and the Appellate Tribunal shall have the **same jurisdiction, powers and authority** in respect of contempt of themselves **as the High Court has** and may exercise, for this purpose, the **powers** under the provisions of the **Contempt of Courts Act, 1971**, which shall have the effect subject to modifications that—

- (a) the **reference** therein to a **High Court** shall be construed as including a reference to the **Tribunal** and the **Appellate Tribunal**; and
- (b) the **reference to Advocate-General in section 15** of the said Act shall be construed as a reference to such **Law Officers** as the Central Government may, specify in this behalf.

426. Delegation of powers

The Tribunal or the Appellate Tribunal may, by general or special order, direct, subject to such conditions, if any, as may be specified in the order, any of its officers or employees or any other person authorized by it to inquire into any matter connected with any proceeding or, as the case may be, appeal before it and to report to it in such manner as may be specified in the order.

427. President, Members, officers, etc. to be public servants

The President, Members, officers and other employees of the Tribunal and the Chairperson, Members, officers and other employees of the Appellate Tribunal shall be **deemed to be public servants** within the meaning of section 21 of the Indian Penal Code.

428. Protection of action taken in good faith

No suit, prosecution or other legal proceeding shall lie against the Tribunal, the President, Member, officer or other employee, or against the Appellate Tribunal, the Chairperson, Member, officer or other employees thereof or liquidator or any other person authorized by the Tribunal or the Appellate Tribunal **for the discharge of any function** under this Act in respect of **any loss or damage caused or likely to be caused by any act** which is in **good faith done** or intended to be done in pursuance of this Act.

429. Power to Seek Assistance of Chief Metropolitan Magistrate, Etc.

- (1) The Tribunal may, in any proceeding relating to a sick company or winding up of any other company, **in order to take into custody** or under its **control** all property, books of account or other documents, **request**, in writing, the Chief Metropolitan Magistrate, Chief Judicial Magistrate or the District Collector within whose jurisdiction any such property, books of account or other documents of such sick or other company, are situate or found, **to take possession thereof**, and the Chief Metropolitan Magistrate, Chief Judicial Magistrate or the District Collector, as the case may be, shall, on such request being made to him,—
 - (a) **take possession** of such property, books of account or other documents; and
 - (b) cause the same to be **entrusted to the Tribunal** or other person authorized by it.
- (2) For the purpose of securing compliance with the provisions of sub-section (1), the Chief Metropolitan Magistrate, Chief Judicial Magistrate or the District Collector may take or cause to be **taken such steps and use** or cause to be **used such force** as may, in his opinion, be necessary.

- (3) **No act** of the Chief Metropolitan Magistrate, Chief Judicial Magistrate or the District Collector done in pursuance of this section shall be **called in question in any court or before any authority on any ground whatsoever.**

430. Civil court not to have jurisdiction

No **civil court** shall have **jurisdiction** to entertain any suit or proceeding in respect of any matter which the Tribunal or the Appellate Tribunal is empowered to determine by or under this Act or any other law for the time being in force and **no injunction** shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act or any other law for the time being in force, by the Tribunal or the Appellate Tribunal.

431. Vacancy in Tribunal or Appellate Tribunal not to invalidate acts or proceedings

No act or proceeding of the Tribunal or the Appellate Tribunal shall be questioned or shall be invalid merely on the ground of the existence of any vacancy or defect in the constitution of the Tribunal or the Appellate Tribunal, as the case may be.

432. Right to legal representation

A party to any proceeding or appeal before the Tribunal or the Appellate Tribunal, as the case may be, may either **appear in person** or authorize one or more **chartered accountants or company secretaries or cost accountants or legal practitioners or any other person** to present his case before the Tribunal or the Appellate Tribunal, as the case may be.

433. Limitation

The provisions of the **Limitation Act, 1963** shall, as far as may be, apply to proceedings or appeals before the Tribunal or the Appellate Tribunal, as the case may be.

434. Transfer of certain pending proceedings

- (1) On such date as may be notified by the Central Government in this behalf, –
- (a) all matters, proceedings or **cases pending before** the Board of Company Law Administration (herein in this section referred to as the **Company Law Board**) constituted under sub-section (1) of section 10E of the Companies Act, 1956, immediately before such date **shall stand transferred to the Tribunal** and the Tribunal shall dispose of such matters, proceedings or cases in accordance with the provisions of this Act;
 - (b) any **person aggrieved** by any **decision or order** of the Company Law Board made **before such date** may file an **appeal** to the **High Court within sixty days** from the date of communication of the decision or order of the Company Law Board to him on any question of law arising out of such order:
Provided that the High Court may if it is satisfied that the appellant was prevented by sufficient cause from filing an appeal within the said period, allow it to be filed within a further period not exceeding sixty days;
 - (c) all **proceedings** under the Companies Act, 1956, including proceedings relating to arbitration, compromise, arrangements and reconstruction and winding up of companies, **pending immediately before** such date before **any District Court or High Court, shall stand transferred to the Tribunal** and the Tribunal may proceed to deal with such proceedings from the stage before their transfer.

(d) any **appeal** preferred to the Appellate Authority for Industrial and Financial Reconstruction or any **reference** made or **inquiry** pending to or before the Board of Industrial and Financial Reconstruction or any **proceeding** of whatever nature pending before the Appellate Authority for Industrial and Financial Reconstruction or the Board for Industrial and Financial Reconstruction under the Sick Industrial Companies (Special Provisions) Act, 1985 immediately before the commencement of this Act **shall stand abated**:

Provided that a company in respect of which such appeal or reference or inquiry stands abated under this clause **may make a reference** to the Tribunal under this Act **within one hundred and eighty days** from the commencement of this Act in accordance with the provisions of this Act:

Provided further that no fees shall be payable for making such reference under this Act by a company whose appeal or reference or inquiry stands abated under this clause.

(2) The Central Government **may make rules** consistent with the provisions of this Act to ensure **timely transfer** of all matters, proceedings or cases **pending before the Company Law Board or the courts**, to the Tribunal under this section.

**TABLE OF NATURES OF DISPUTES UNDER COMPANIES ACT,
2013 TO BE TRIED BY NCLT/NCLAT**

In view of few provisions of Companies Act having been made effective, **presently NCLT has jurisdiction to:**

1. Entertain **oppression & mismanagement** of a company;
2. Adjudicate **proceedings & cases initiated before CLB** under the Old Act, which now stand **transferred to NCLT**; &
3. Exercise **powers under various sections** of Companies Act which have been **notified & made effective** by Government of India, including:
 - a. passing order against **company incorporated by providing false information or by fraud**,
 - b. granting approval for **alteration of articles** of company, if such alteration **changes** its nature **from public to private**, &
 - c. approving for issuance of **redeemable preference shares** by company under certain circumstances.

All appeals against any order of NCLT may be filed by aggrieved parties with NCLAT. Currently, **for matters pertaining to winding up** of companies & sick companies, parties have to continue to approach concerned **HC, BIFR or AAIFR**. Presently, scope of NCLT/NCLAT would remain limited to adjudicating disputes that would have otherwise been filed before CLB, such as those pertaining to, *inter alia*, oppression and mismanagement matters. The eventual effect of the constitution of the NCLT/NCLAT will be to subsume the company jurisdiction of the High Courts.

NEWLY NOTIFIED PROVISIONS:-

Provision in Companies Act, 2013	Particulars	Corresponding Provision in Companies Act, 1956
241	Application to NCLT for relief in cases of oppression	397, 398
242 (except sub-sections 1(b) and 2(c) & (g))	Powers of NCLT in relation to an application under Section 241	402
243	Consequence of termination or modification of certain agreements in pursuance of an order under Section 242	407
244	Right to apply under Section 241	399
245	Class action proceedings	N.A.
434(1) (a) & (b) and (2)	Transfer of pending CLB proceedings	647A

Despite constitution of NCLT & NCLAT, MCA has desisted from notifying the provisions of,

- (i) Compromises, Arrangements & Amalgamations;
- (ii) Revival & Rehabilitation of sick companies; &
- (iii) Winding up of companies.

Idea is to transfer various matters to NCLT/NCLAT in a gradual manner, so as to give these new adjudicatory bodies adequate leeway to tackle any teething problems besides making them fully functional with full capacity.

Sl. No	Sections/ Sub-Sections under Companies Act,2013	Sections/ Sub-Sections under Companies Act,1956	CONTEXT
1.	2(4), 2(23), 2(41), 2(90)	2(1-B) nil 2(17) 2(49-A)	Various Definitions: Section 2 and its various sub sections define <ul style="list-style-type: none"> • Tribunal as an Appellate Tribunal under Section 410, NCLT constituted under Section 408. • Liquidator to be appointed by Tribunal in case of Winding up. • Taking permission from Tribunal to follow any other financial year if a company is suited outside India.
2	7(7), 8(9), 14(1) & (2)	15c 25 31	Incorporation & Matters Incidental to it: <ul style="list-style-type: none"> • Orders to be passed by Tribunal in case of fraudulent formation of a Company. • Transfer of assets to other charitable company after due permission of Tribunal. • No conversion of a public company into private company is done, without prior approval of tribunal. • Any alteration in the AOA shall be done with the approval of Tribunal and its order shall be filed with RoC.
3	24(1), 127	55-A 207	Allotment of Securities/ Power of SEBI to regulate issue and transfer of Securities.
4	48(2),(3) & (4), 55(3) , 56(4), 58(3), (4),(5),(6), 59(1),(2),(3), (4),(5), 61(1), 62(4),(6), 66(1), (2), (3), (4), (5), (8) 71(9),(10),(11)	106 80 108 111 111-A 94 81 100 nil 117	Share Capital & Debentures: <ul style="list-style-type: none"> • Variation in shareholders right • Issue and redemption of preference share • Transfer and transmission of securities • Refusal of registration and appeal against refusal. • Rectification of register of members • Power of limited company to alter its share capital • Further issue of share capital • Reduction of share capital • Debentures
5	73(4), 74(2) & (3), 75(1)	58-A	Acceptance & Repayment of Deposits: <ul style="list-style-type: none"> • Prohibition on acceptance of deposits from public • Repayment of deposits, etc., accepted

			<p>before commencement of this Act</p> <ul style="list-style-type: none"> • Damages for fraud
6	97(1),(2), 98(1), 99, 119(4)	167 186 168 196	<p><u>Annual General Meeting/Extra Ordinary General Meeting/ Management & Administration</u></p> <ul style="list-style-type: none"> • Power of Tribunal to Call AGM • Power of Tribunal to Call meetings of Members • Punishment for default in complying with provisions of sections 96 to 98 • Inspection of minute-books of general meeting
7	125(3)	205-C	Declaration & Payment of Dividend and Creation of Investor Education & protection Fund
8	130(1), 131(1)	Nil	<p><u>Accounts of Companies</u></p> <ul style="list-style-type: none"> • Re-opening of accounts on court's or Tribunal's orders • Voluntary revision of financial statements or Board's report
9.	141(4) & (5)	224 (1-B)	<p><u>Audit & Auditors</u></p> <ul style="list-style-type: none"> • Removal, resignation of Auditor and giving of special notice.
10	164(1)(e), 167(1)(e), 169(1) & (4)	274 283 284	<p><u>Appointment and Qualification of Director:</u></p> <ul style="list-style-type: none"> • Disqualifications for appointment of director • Vacation of office of director • Removal of directors
11	202(2)(d)	318	<p><u>Appointment & Remuneration of Directors & KMPs:-</u></p> <ul style="list-style-type: none"> • Compensation for loss of office of managing or whole-time director or manager
12	210(2), 213, 214, 216(2), 218(1)(b),(2),(3), (4), 221(1), 222(1) & (2), 224(2), 226(1) (c), 227	235 237 236 247 635-B nil 250 242 250-A 251	<p><u>Inspection, Inquiry & Investigation :-</u></p> <ul style="list-style-type: none"> • Investigation into affairs of company • Security for payment of costs and expenses of investigation • Investigation of ownership of company • Protection of employees during investigation • Freezing of assets of company on inquiry and investigation • Imposition of restrictions upon securities • Actions to be taken in pursuance of inspector's report • Voluntary winding up of company, etc., not to stop investigation proceedings • Legal advisers and bankers not to disclose certain information
13	230(1),(2),(3), (6),(7),(8),(9), (10) ,(11),(12), 231(1)& (2),	391 392	<p><u>Compromises, Arrangement & Amalgamation:-</u></p> <ul style="list-style-type: none"> • Power to compromise or make arrangements with creditors and members • Power of Tribunal to enforce compromise

	232(1),(2),(3), (7), 233(5)(6), 235(2),(3)(4), 238(2)	394 nil 395 395(4A)	<p>or arrangement</p> <ul style="list-style-type: none"> • Merger and amalgamation of companies • Merger or amalgamation of certain companies • Power to acquire shares of shareholders dissenting from scheme or contract approved by majority • Registration of offer of schemes involving transfer of shares
14	241, 242(1),(2),(3),(4), (5) 243(1), 244(1), 245(1),(4),(5),(6), (7),(8), 246	397 397,398,401, 402,403,404 407 399 nil nil	<p><u>Prevention of Oppression & Mismanagement:-</u></p> <ul style="list-style-type: none"> • Application to Tribunal for relief in cases of oppression, etc.- • Powers of Tribunal. • Consequence of termination or modification of certain agreements • Right to apply under section • Class action • Application of certain provisions to proceedings under section 241 or section 245
15	248(8), 249(1)(d), 252	560 nil 560(6)	<p><u>Removal of Names of the Company From Register by Registrar:-</u></p> <ul style="list-style-type: none"> • Power of Registrar to remove name of company from register of companies • Restrictions on making application under section 248 in certain situations • Appeal to Tribunal
16	253, 254, 255, 256(1), 258, 259, 260(1), 262(1),(2),(3),(4), (6),(7), 264, 265, 266, 267, 268, 269(3)	424-A nil nil nil nil nil 424-H 424-D nil nil 424-K 424-L nil 441-C	<p><u>Revival & Rehabilitation of Sick Companies:</u></p> <ul style="list-style-type: none"> • Powers of Central Government to make rules relating to winding up • Determination of sickness • Application for revival and rehabilitation • Exclusion of certain time in computing period of limitation • Appointment of interim administrator • Order of Tribunal • Appointment of administrator • Powers and duties of company administrator • Sanction of scheme • Implementation of scheme • Winding up of company on report of company administrator • Power of Tribunal to assess damages against delinquent directors, etc • Punishment for certain offences • Bar of jurisdiction • Rehabilitation and Insolvency Fund
17	270, 271,	425 433 nil	<p><u>Winding Up:</u></p> <ul style="list-style-type: none"> • Modes of winding up • Circumstances in which company may be

272(1) and (7), 111 273, 274(1), (3) and (5), 275(1),(3),(5),(6), (7), 276 (2), (3) and (4), 277(1), (4), (5),(6) and (8), 278(1), 280, 281(1), 282(1),(2),(3),(4). (5), 283, 285(1),(2),(3), 286(1)(c), 287(1),(2)&(3), 288, 289(1),(2),(3),(4), (5), 290(2) & (3), 291(1) and (2), 292(4), 293(2), 294(2), (3), 295(1) and (2), 296, 297, 298, 299(1), (2),(3), (4),(5), (6), 300(1), (2) &(3), 301, 302, 306(3)(b), 317(1), 318(4)(b), 321(2), 322(1), (2) and (3), 327(6)(c) (i), 328(1) & (2),	nil 439 443 439A 448 444 447 446(2) 455 nil 456 426 427 464 466 457-458 459 460 461 462 469 470 475 476 477 478 479 481 500 519 497 517 518 531 531-A 533 535 536 537 542	wound up by Tribunal • Petition for winding up • Powers of Tribunal • Directions for filing statement of affairs • Company Liquidators and their appointments • Removal and replacement of liquidator • Intimation to Company Liquidator, provisional liquidator and Registrar • Stay of suits, etc., on winding up order • Jurisdiction of Tribunal • Submission of report by Company Liquidator • Directions of Tribunal on report of Company Liquidator • Custody of company's properties • Settlement of list of contributories and application of assets • Obligations of directors and managers • Advisory committee • Submission of periodical reports to Tribunal • Power of Tribunal on application for stay of winding up • Powers and duties of Company Liquidator • Powers and duties of Company Liquidator • Provision for professional assistance to Company Liquidator • Exercise and control of Company Liquidator's powers • Books to be kept by Company Liquidator- • Audit of Company Liquidator's accounts • Payment of debts by contributory and extent of set-off- • Power of Tribunal to make calls • Adjustment of rights of contributories • Power to order costs • Power to summon persons suspected of having property of company, etc • Power to order examination of promoters, directors, etc • Arrest of person trying to leave India or abscond • Dissolution of company by Tribunal • Meeting of creditors • Report of Company Liquidator to Tribunal for examination of persons • Final meeting and dissolution of company • Arrangement when binding on company and creditors • Power to apply to Tribunal to have
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	<p>329, 331, 333, 334(2), 335, 339(1) and (2), 340, 341, 342(1) and (4), 343, 344(1), 346(1), 347(1)(a) & (3) (b) 348(1) and (2), 350, 352(8)(c) 353(1) 354 355(1)(a)& (2) 356 357 358 359(1) 360(2)(b) 364(4) 365(1) &(2)</p>	<p>543 544 545 546 547 549 550 551 553 555 556 557 558 559 441 458-A 448 457</p>	<p>questions determined, etc.</p> <ul style="list-style-type: none"> • “relevant date • Fraudulent preference • Transfers not in good faith to be void • Liabilities and rights of certain persons fraudulently preferred • Disclaimer of onerous property • Transfers, etc., after commencement of winding up to be void • Certain attachments, executions, etc., in winding up by Tribunal to be void • Liability for fraudulent conduct of business • Power of Tribunal to assess damages against delinquent directors, etc • Liability under sections 339 and 340 to extend to partners or directors in firms or companies • Prosecution of delinquent officers and members of company • Company Liquidator to exercise certain powers subject to sanction • Statement that company is in liquidation • Inspection of books and papers by creditors and contributories • Disposal of books and papers of company • Information as to pending liquidations • Company Liquidator to deposit monies into scheduled bank • Company Liquidation Dividend and Undistributed Assets Account • Liquidator to make returns, etc • Meetings to ascertain wishes of creditors or contributories • Court, Tribunal or person, etc., before whom affidavit may be sworn • Powers of Tribunal to declare dissolution of company void • Commencement of winding up by Tribunal • Exclusion of certain time in computing period of limitation • Appointment of Official Liquidator. • Powers and functions of Official Liquidator • Appeal by creditor • Order of dissolution of company
18	<p>373 375(1)(c) & (4) 377(1) & (2)</p>	<p>581 582 589</p>	<p><u>Companies Authorized To Register Under This Act.</u></p> <ul style="list-style-type: none"> • Suits stayed on winding up order • Winding up of unregistered companies • Provisions of Chapter cumulative
19	<p>399(2)</p>	<p>610</p>	<p><u>Registration offices and fees:-</u></p> <ul style="list-style-type: none"> • Inspection, production and evidence of

			documents kept by Registrar
20	441, 442, 447, 457	621-A 635-AA	<u>Special Courts:-</u> <ul style="list-style-type: none"> • Compounding of certain offences • Mediation and Conciliation Panel • Nondisclosure of information in certain cases • Non-disclosure of information in certain cases
21	459, 465, 466, 468(2)(i) (v)	637-A 2(10-A) 10-FA 643	<u>Miscellaneous:-</u> <ul style="list-style-type: none"> • Powers of Central Government or Tribunal to accord approval, etc., subject to conditions and to prescribe fees on applications • Repeal of certain enactments and savings • Dissolution of Company Law Board and consequential provisions • Powers of Central Government to make rules relating to winding up