

## CLARIFICATIONS FOR JUNE 2017 TERM OF EXAMINATION

Sections of Companies Act, 2013 notified till 30<sup>th</sup> November, 2016 for June 2017 Examinations

Section	Heading	Date	1956 still in force as related provisions of Companies Act 2013 is not enforced/not applicable
2(67) [except sub-clause (ix)]	"previous company law"	09-12-2013	
2(68)	"private company"	09-12-2013	
2(69)	"promoter"	09-12-2013	
2(70)	"prospectus"	09-12-2013	
2(71)	"public company"	09-12-2013	
2(72)	"public financial institution"	09-12-2013	
2(73)	"recognised stock exchange"	09-12-2013	
2(74)	"register of companies"	09-12-2013	
2(75)	"Registrar"	09-12-2013	
2(76)	"related party"	09-12-2013	
2(77)	"relative"	09-12-2013	
2(78)	"remuneration"	09-12-2013	
2(79)	"Schedule"	09-12-2013	
2(80)	"scheduled bank"	09-12-2013	
2(81)	"securities"	09-12-2013	
2(82)	"Securities and Exchange Board"	09-12-2013	
2(83)	"Serious Fraud Investigation Office"	04-01-2014	
2(84)	"share"	09-12-2013	
2(85)	"small company"	04-01-2014	
2(86)	"subscribed capital"	09-12-2013	
2(87) [except the proviso and Explanation (d)]	"subsidiary company" or "subsidiary"	09-12-2013	
2(87) [Explanation (d)]		04-01-2014	
2(88)	"sweat equity shares"	09-12-2013	
2(89)	"total voting power"	09-12-2013	
2(90)	"Tribunal"	09-12-2013	
2(91)	"turn over"	09-12-2013	
2(92)	"unlimited company"	09-12-2013	
2(93)	"voting right"	09-12-2013	
2(94)	"whole-time director"	09-12-2013	
2(95)	words defined in allied Acts	09-12-2013	
<b>CHAPTER II : Incorporation of Company and Matters Incidental thereto</b>			
3	Formation of company	04-01-2014	
4	Memorandum	04-01-2014	
5	Articles	04-01-2014	
6	Act to over ride memorandum, articles, etc.	04-01-2014	
7 [except sub-section (7)]	Incorporation of company	04-01-2014	Corresponding Sections of Companies Act, 1956 still in force as related provisions of Companies Act 2013 is not enforced/not applicable as related provisions of Companies Act 2013 is not enforced/not applicable
8[except sub-section (9)]	Formation of companies with charitable objects, etc.,	04-01-2014	
9	Effect of registration	04-01-2014	
10	Effect of memorandum and articles	04-01-2014	
11	Commencement of business, etc (Omitted w.e.f.29.5.2015)	29.5.2015	
12	Registered office of company	04-01-2014	
13	Alteration of memorandum	04-01-2014	

14 [except second proviso to sub-section (1) and sub-section (2)]	Alteration of articles	04-01-2014	
15	Alteration of memorandum or articles to be noted in every copy	04-01-2014	
16	Rectification of name of company	04-01-2014	
17	Copies of memorandum, articles, etc., to be given to members	04-01-2014	
18	Conversion of companies already registered	04-01-2014	
19	Subsidiary company not to hold shares in its holding company	09-12-2013	
20	Service of documents	04-01-2014	
21	Authentication of documents, proceedings and contracts	09-12-2013	
22	Execution of bills of exchange, etc.	09-12-2013	
<b>CHAPTER III : Prospectus and Allotment of securities</b>			
23 [except clause (b) of sub-section (1) and sub-section (2)]	Public offer and private placement	09-12-2013	
23 [clause (b) of sub-section (1) and sub-section (2)]		04-01-2014	
24	Power of Securities and Exchange Board to regulate issue and transfer of securities, etc.	09-12-2013	
25 [except sub-section (3)]	Document containing offer of securities for sale to be deemed prospectus	09-12-2013	
25 [sub-section (3)]		04-01-2014	
26	Matters to be stated in prospectus	04-01-2014	
27	Variation in terms of contract or objects in prospectus	04-01-2014	
28	Offer of sale of shares by certain members of company	04-01-2014	
29	Public offer of securities to be in dematerialised form	09-12-2013	
30	Advertisement of prospectus	09-12-2013	
31	Shelf prospectus	09-12-2013	
32	Redherring prospectus	09-12-2013	
33 [except sub-section (3)]	Issue of application forms for securities	09-12-2013	
33 [Sub-section (3)]		04-01-2014	
34	Criminal liability for mis-statements in prospectus	09-12-2013	
35 [except clause (e) of sub-section (1)]	Civil liability for mis-statements in prospectus	09-12-2013	
35 [Clause (e) of sub-section (1)]		04-01-2014	
36	Punishment for fraudulently inducing persons to invest money	09-12-2013	
37	Action by affected persons	09-12-2013	
38	Punishment for personation for acquisition, etc., of securities	09-12-2013	
39 [except sub-section (4)]	Allotment of securities by company	09-12-2013	
39 [Sub-section (4)]		04-01-2014	
40 [except sub-section (6)]	Securities to be dealt with in stock exchanges	09-12-2013	
40 [Sub-section (6)]		04-01-2014	
41	Global depository receipt	04-01-2014	
42	Offeror invitation for subscription of securities on private placement	04-01-2014	
<b>CHAPTER IV : Share Capital and Debentures</b>			
43	Kinds of share capital	04-01-2014	
44	Nature of shares or debentures	09-12-2013	
45	Numbering of shares	09-12-2013	
46	Certificate of shares	04-01-2014	
47	Voting rights	04-01-2014	
48	Variation of share holders' Rights	Not yet enforced	106
			107
49	Calls on shares of same class to be made on uniform basis	09-12-2013	
50	Company to accept unpaid share capital, although not called up	09-12-2013	
51	Payment of dividend in proportion to amount paid-up	09-12-2013	
52	Application of premiums received on issue of shares	04-01-2014	

53	Prohibition on issue of shares at discount	04-01-2014	
54	Issue of sweat equity shares	04-01-2014	
55 [except sub-section (3)]	Issue and redemption of preference shares	04-01-2014	
56	Transfer and transmission of securities	04-01-2014	
57	Punishment for personation of share holder	09-12-2013	
58	Refusal of registration and appeal against refusal	09-12-2013	
59	Rectification of register of members	09-12-2013	
60	Publication of authorised, subscribed and paid-up capital	09-12-2013	
61 [except proviso to clause (b) of sub-section (1)]	Power of limited company to alter its share capital	04-01-2014	
62 [except sub-sections (4) to (6)]	Further issue of share capital	04-01-2014	
63	Issue of bonus shares	04-01-2014	
64	Notice to be given to Registrar for alteration of share capital	04-01-2014	
65	Unlimited company to provide for reserve share capital on conversion into limited company	09-12-2013	
66	Reduction of share capital	Not yet enforced	100
			101
			102
			103
			104
			105
67	Restrictions on purchase by company or giving of loans by it for purchase of its shares	04-01-2014	
68	Power of company to purchase its own securities	04-01-2014	
69	Transfer of certain sums to capital redemption reserve account	09-12-2013	
70 [except sub-section (2)]	Prohibition for buy-back in certain circumstances	09-12-2013	
70 [sub-section (2)]		04-01-2014	
71 [except sub-sections (9) to (11)]	Debentures	04-01-2014	
72	Power to nominate	04-01-2014	
<b>CHAPTER V : Acceptance of Deposits by Companies</b>			
73	Prohibition on acceptance of deposits from public	04-01-2014	
74 [sub-section (1)]	Repayment of deposits, etc., accepted before commencement of this Act	04-01-2014	
74 [sub-sections (2) and (3)]	Repayment of deposits, etc., accepted before commencement of this Act	06-06-2014	
75	Damages for fraud	Not yet enforced	-
76	Acceptance of deposits from public by certain companies	04-01-2014	
76A	Punishment for contravention of section 73 or section 76.	29.5.2015	
<b>CHAPTER VI : Registration of Charges</b>			
77	Duty to register charges, etc.	04-01-2014	
78	Application for registration of charge	04-01-2014	
79	Section 77 to apply in certain matters	04-01-2014	
80	Date of notice of charge	04-01-2014	
81	Register of charges to be kept by Registrar	04-01-2014	
82	Company to report satisfaction of charge	04-01-2014	
83	Power of Registrar to make entries of satisfaction and release in absence of intimation from company	04-01-2014	
84	Intimation of appointment of receiver or manager	04-01-2014	
85	Company's register of charges	04-01-2014	
86	Punishment for contravention	09-12-2013	
87	Rectification by Central Government in register of charges	04-01-2014	

## CHAPTER VII : Management and Administration

88	Register of members, etc.	04-01-2014	
89	Declaration in respect of beneficial interest in any share	04-01-2014	
90	Investigation of beneficial ownership of shares in certain cases	04-01-2014	
91	Power to close register of members or debenture holders or other security holders	09-12-2013	
92	Annual return	04-01-2014	
93	Return to be filed with Registrar in case promoters' stake changes	04-01-2014	
94	Place of keeping and inspection of registers, returns, etc.	04-01-2014	
95	Registers, etc., to be evidence	04-01-2014	
96	Annual general meeting	04-01-2014	
97	Power of Tribunal to call annual general meeting	01-06-2016	167
98	Power of Tribunal to call meetings of members, etc.	01-06-2016	186
99	Punishment for default in complying with provisions of sections 96 to 98	01-06-2016	168
100 [except sub-section (6)]	Calling of extraordinary general meeting	09-12-2013	
100 [Sub-section (6)]		04-01-2014	
101	Notice of meeting	04-01-2014	
102	Statement to be annexed to notice	09-12-2013	
103	Quorum for meetings	09-12-2013	
104	Chairman of meetings	09-12-2013	
105 [except the third and fourth proviso of sub-section (1) and sub-section (7)]	Proxies	09-12-2013	
105 [Third and Fourth proviso to sub-section (1) and sub-section (7)]		04-01-2014	
106	Restriction on voting rights	09-12-2013	
107	Voting by show of hands	09-12-2013	
108	Voting through electronic means	04-01-2014	
109	Demand for poll	04-01-2014	
110	Postal ballot	04-01-2014	
111	Circulation of members' resolution	09-12-2013	
112	Representation of President and Governors in meetings	09-12-2013	
113 [except clause (b) of sub-section (1)]	Representation of corporations at meeting of companies and of creditors	09-12-2013	
113 [Clause (b) of sub-section (1)]		04-01-2014	
114	Ordinary and special resolutions	09-12-2013	
115	Resolutions requiring special notice	04-01-2014	
116	Resolutions passed at adjourned meeting	09-12-2013	
117	Resolutions and agreements to be filed	04-01-2014	
118	Minutes of proceedings of general meeting, meeting of Board of Directors and other meeting and resolutions passed by postal ballot	04-01-2014	
119 [except sub-section (4)]	Inspection of minute-books of general meeting	04-01-2014	
120	Maintenance and inspection of documents in electronic form	04-01-2014	
121	Report on annual general meeting	04-01-2014	
122	Applicability of this Chapter to One Person Company	04-01-2014	

## CHAPTER VIII : Declaration and Payment of Dividend

123	Declaration of dividend	04-01-2014	
124	Unpaid Dividend Account	07-09-2016	205A
			205B

125	Investor Education and Protection Fund	13-01-2016	205C [Section 125(5), 125(6) except with respect to the manner of administration of the investor Education and Protection fund and 125(7) of the Companies Act 2013 have come into force on 07-09-2016
126	Right to dividend, rights shares and bonus shares to be held inabeyance pending registration of transfer of shares	04-01-2014	
127	Punishment for failure to distribute dividends	09-12-2013	
<b>CHAPTER IX : Accounts of Companies</b>			
128	Books of account, etc., to be kept by company	04-01-2014	
129	Financial statement	27-07-2016	Amendment in Rule 6 vide the companies (Accounts) Amendments Rules, 2016 read with section 129
130	Re-opening of accounts on Court's or Tribunal's orders	01-06-2016	-
131	Voluntary revision of financial statements or Board's	Do	-
132	Constitution of National Financial Reporting Authority	Do	210A
133	Central Government to prescribe accounting standards	09-12-2013	
134	Financial Statement, Board's report, etc	04-01-2014	
135	Corporate Social Responsibility	04-01-2014	
136	Right of member to copies of audited financial statement	04-01-2014	
137	Copy of financial statement to be filed with Registrar	04-01-2014	
138	Internal Audit	04-01-2014	
<b>CHAPTER X : Audit and Auditors</b>			
139	Appointment of auditors	04-01-2014	
140 [except second proviso to sub-section (4) and sub-section (5)]	Removal,resignation of auditor and giving of special notice	01-06-2016	
141	Eligibility, qualifications and disqualifications of auditors	04-01-2014	
142	Remuneration of auditors	04-01-2014	
143	Powers and duties of auditors and auditing standards	14-12-2015	Notification of section 143(12) Amended and was made effective from 14-12-
144	Auditor not to render certain services	04-01-2014	
145	Auditors to sign audit reports, etc	04-01-2014	
146	Auditors to attend general meeting	04-01-2014	
147	Punishment for contravention	04-01-2014	
148	Central Government to specify audit of items of cost in respect of certain companies	04-01-2014	
<b>CHAPTER XI : Appointment and Qualification of Directors</b>			
149	Company to have Board of Directors	04-01-2014	
150	Manner of selection of independent directors and maintenance of data bank of independent directors	04-01-2014	
151	Appointment of direct or elected by small share holders	04-01-2014	
152	Appointmentofdirectors	04-01-2014	
153	Application for allotment of Director Identification Number	04-01-2014	
154	Allotment of Director Identification Number	04-01-2014	
155	Prohibition to obtain more than one Director Identification Number	04-01-2014	
156	Director to intimate Director Identification Number	04-01-2014	

157	Company to in form Director Identification Number to Registrar	04-01-2014	
158	Obligation to indicate Director Identification Number	04-01-2014	
159	Punishment for contravention	04-01-2014	
160	Right of persons other than retiring directors to stand for directorship	04-01-2014	
161 [except sub-section (2)]	Appointment of additional director, alternate director and nominee director	09-12-2013	
161 [Sub-section (2)]		04-01-2014	
162	Appointment of directors to be voted individually	09-12-2013	
163	Option to adopt principle of proportional representation for appointment of directors	09-12-2013	
164	Disqualifications for appointment of director	04-01-2014	
165	Number of directorships	04-01-2014	
166	Duties of directors	04-01-2014	
167	Vacation of office of director	04-01-2014	
168	Resignation of director	04-01-2014	
169[except sub-section (4)]	Removal of directors	01-06-2016	
170	Register of directors and key managerial personnel and their share holding	04-01-2014	
171	Members' right to inspect	04-01-2014	
172	Punishment	04-01-2014	
<b>CHAPTER XII : Meeting of Board and its Powers</b>			
173	Meetings of Board	04-01-2014	
174	Quorum for meetings of Board	04-01-2014	
175	Passing of resolution by circulation	04-01-2014	
176	Defects in appointment of directors not to invalidate actions taken	09-12-2013	
177	Audit committee	14-12-2015	
178	Nomination and remuneration committee and stall holders relationship committee	04-01-2014	
179	Powers of Board	04-01-2014	
180	Restrictions on powers of Board	09-12-2013	
181	Company to contribute to bonafide and charitable funds, etc	09-12-2013	
182	Prohibitions and restrictions regarding political contributions	09-12-2013	
183	Power of Board and other persons to make contributions to national defence fund, etc	09-12-2013	
184	Disclosure of interest by director	04-01-2014	
185	Loan to directors, etc	14-12-2015	Rule 10 dealt with the loans to Directors etc. u/s 185 have been substituted to avode the comflict between the provisions given in section 185 and the respective rules.
186	Loan and investment by company	04-01-2014	
187	Investments of company to be held in its own name	04-01-2014	
188	Related party transactions	14-12-2015	In Rule 15(3) of the Companies (meetings of Boards and its Powers) Rules, 2014 read with section 188. Note : Rule 15 deals with the contract or arrangements with the related parties.
189	Register of contracts or arrangements in which directors are interested	04-01-2014	
190	Contract of employment with managing or whole-time directors	04-01-2014	
191	Payment to director for loss of office, etc., in connection with transfer of <u>undertaking, property or shares</u>	04-01-2014	
192	Restriction on non-cash transactions involving directors	09-12-2013	
193	Contract by One Person Company	04-01-2014	
194	Prohibition on forward dealings in securities of company by director or key managerial personnel	09-12-2013	
195	Prohibition on insider trading of securities	09-12-2013	

### CHAPTER XIII : Appointment and Remuneration of Managerial Personnel

196	Appointment of managing director, whole-time director or manager	04-01-2014	
197	Overall maximum managerial remuneration and managerial remuneration in case of absence or in adequacy of profits	04-01-2014	
198	Calculation of profits	04-01-2014	
199	Recovery of remuneration in certain cases	04-01-2014	
200	Central Government or company to fix limit with regard to remuneration	04-01-2014	
201	Forms of, and procedure in relation to, certain applications	04-01-2014	
202	Compensation for loss of office of managing or whole-time director or manager	09-12-2013	
203	Appointment of key managerial personnel	04-01-2014	
204	Secretarial audit for bigger companies	04-01-2014	
205	Functions of company secretary	04-01-2014	

### CHAPTER XIV : Inspection, Inquiry and Investigation

206	Power to call for information, inspect books and conduct inquiries	<b>29-04-2016</b>	
207	Conduct of inspection and inquiry	04-01-2014	
208	Report on inspection made	31-12-2015	
209	Search and seizure	04-01-2014	
210	Investigation in to affairs of company	04-01-2014	
211	Establishment of Serious Fraud Investigation Office	04-01-2014	
212 [except references of sub-section (10) of section 66, sub-section (5) of section 140, section 213, sub-section (1) of Section 251 and sub-section (3) of Section 339 made in sub-section (6) and also sub-sections (8) to (10)]	Investigation into affairs of company by Serious Fraud Investigation Office	04-01-2014	
213	Investigation in to company's affairs in other cases	<b>01-06-2016</b>	<b>237</b>
214	Security for payment of costs and expenses of investigation	04-01-2014	
215	Firm, body corporate or association not to be appointed as inspector	04-01-2014	
216 [except sub-section (2)]	Investigation of ownership of company	04-01-2014	
217	Procedure, powers, etc., of inspectors	04-01-2014	
218	Protection of employees during investigation	<b>01-06-2016</b>	<b>635B</b>
219	Power of inspector to conduct investigation into affairs of related companies, etc.	04-01-2014	
220	Seizure of documents by inspector	04-01-2014	
221	Freezing of assets of company on inquiry and investigation	<b>01-06-2016</b>	<b>-</b>
222	Imposition of restrictions upon securities	<b>01-06-2016</b>	<b>250</b>
223	Inspector's report	04-01-2014	
224 [except sub-section (2) and (5)]	Actions to be taken in pursuance of inspector's report	<b>01-06-2016</b>	
225	Expenses of investigation,	04-01-2014	
226	Voluntary winding-up of company, etc., not to stop investigation proceedings	<b>Not yet enforced</b>	<b>250A</b>
227	Legal advisers and bankers not to disclose certain information	<b>09-09-2016</b>	<b>251</b>
228	Investigation, etc., of foreign companies	04-01-2014	
229	Penalty for furnishing false statement, mutilation, destruction of documents	04-01-2014	

### CHAPTER XV : Compromises, Arrangement and Amalgamations

230	Power to compromise or make arrangements with creditors and members	<b>Not yet enforced</b>	<b>390</b>
			<b>391</b>
			<b>393</b>
			<b>394A</b>

231	Power of Tribunal to enforce compromise or arrangement	Not yet enforced	392
232	Merger and amalgamation of companies	Not yet enforced	394
233	Merger or amalgamation of certain companies	Not yet enforced	-
234	Merger or amalgamation of company with foreign company	Not yet enforced	-
235	Power to acquire shares of share holders dissenting from scheme or contract approved by majority	Not yet enforced	395
236	Purchase of minority share holding	Not yet enforced	-
237	Power of Central Government to provide for amalgamation of companies in public interest	Not yet enforced	396
238	Registration of offer of schemes involving transfer of shares	Not yet enforced	-
239	Preservation of books and papers of amalgamated companies	Not yet enforced	396A
240	Liability of officers in respect of offences committed prior to merger, amalgamation, etc.	Not yet enforced	-
<b>CHAPTER XVI : Prevention of Oppression and Mismanagement</b>			
241	Application to Tribunal for relief in cases of oppression, etc.	01-06-2016	397
		01-06-2016	398
242	Powers of Tribunal	01-06-2016	401
		01-06-2016	402
		01-06-2016	403
		01-06-2016	404
243	Consequence of termination or modifications of certain agreements	01-06-2016	407
244	Right to apply under section 241	01-06-2016	399
245	Class action	01-06-2016	-
246	Application of certain provisions to proceedings under section 241 or section 245	01-06-2016	406
<b>CHAPTER XVII : Registered Valuers</b>			
247	Valuation by registered valuers	01-06-2016	-
<b>CHAPTER XVIII : Removal of Names of Companies from the Register of Companies</b>			
248	Power of Registrar to remove name of company from register of companies	01-06-2016	560
249	Restrictions on making application under section 248 in certain situations	01-06-2016	-
250	Effect of company notified as dissolved	01-06-2016	-
251	Fraudulent application for removal of name	01-06-2016	-
252	Appeal to Tribunal	01-06-2016	560
<b>CHAPTER XIX : Revival and Rehabilitation of Sick Companies Register</b>			
253	Determination of sickness	omitted	424A
254	Application for revival and rehabilitation	omitted	-
255	Exclusion of certain time in computing period of limitation	omitted	-
256	Appointment of interim administrator	omitted	-
257	Committee of creditors	omitted	-
258	Order of Tribunal	omitted	-
259	Appointment of administrator	Not yet enforced	-
260	Powers and duties of company administrator	Not yet enforced	424H
261	Scheme of revival and rehabilitation	Not yet enforced	424D
262	Sanction of scheme	Not yet enforced	424D
263	Scheme to be binding	Not yet enforced	-
264	Implementation of scheme	Not yet enforced	-
265	Winding up of company on report of company administrator	Not yet enforced	424G
266	Power of Tribunal to assess damages against delinquent directors, etc.	Not yet enforced	424K
267	Punishment for certain offences	Not yet enforced	424L
268	Bar of jurisdiction	Not yet enforced	-
269	Rehabilitation and Insolvency Fund	Not yet enforced	441C



## CHAPTER XX : Winding Up

270	Modes of windingup	Not yet enforced	425
271	Circumstances in which a company may be wound up by Tribunal	Not yet enforced	433
		Not yet enforced	434
272	Petition for windingup	Not yet enforced	439
		Not yet enforced	439A
273	Powers of Tribunal	Not yet enforced	443
274	Directions for filing statemen to faffairs	Not yet enforced	446A
275	Company Liquidators and their appointments	Not yet enforced	448
		Not yet enforced	450
276	Removal and replacement of liquidator	Not yet enforced	-
277	Intimation to company liquidator, provisional liquidator and Registrar	Not yet enforced	444
		Not yet enforced	445
278	Effect of winding up order	Not yet enforced	447
279	Stay of suits, etc., on winding up order	Not yet enforced	446(1)/(4)
280	Jurisdiction of Tribunal	Not yet enforced	446(2)
281	Submission of report by Company Liquidator	Not yet enforced	455
282	Directions of Tribunal on report of Company Liquidator	Not yet enforced	-
283	Custody of company's properties	Not yet enforced	456
		Not yet enforced	468
284	Promoters, directors, etc., to co-operate with Company Liquidator	Not yet enforced	-
285	Settlement of list of contributories and application of assets	Not yet enforced	426
		Not yet enforced	467
286	Obligations of directors and managers	Not yet enforced	427
287	Advisory Committee	Not yet enforced	464
		Not yet enforced	465
288	Submission of periodical reports to Tribunal	Not yet enforced	-
289	Power of Tribunal on application for stay of windingup	Not yet enforced	466
290	Powers and duties of Company Liquidator	Not yet enforced	457
		Not yet enforced	458
291	Provision for professional assistance to Company Liquidator	Not yet enforced	459
292	Exercise and control of Company Liquidator's powers	Not yet enforced	460
293	Books to be kept by Company Liquidator	Not yet enforced	461
294	Audit of Company Liquidator's accounts	Not yet enforced	462
295	Payment of debts by contributory and extent of set off	Not yet enforced	469
296	Power of Tribunal to make calls	Not yet enforced	470
297	Adjustment of rights of contributories	Not yet enforced	475
298	Power to order costs	Not yet enforced	476
299	Power to summon persons suspected of having property of company, etc.	Not yet enforced	477
300	Power to order examination of promoters, directors, etc.	Not yet enforced	478
301	Arrest of person trying to leave India or abscond	Not yet enforced	479
302	Dissolution of company by Tribunal	Not yet enforced	481
303	Appeals from orders made before commencement of Act	Not yet enforced	483
304	Circumstances in which company may be wound up voluntarily	Not yet enforced	484
305	Declaration of solvency incase of proposal to windup voluntarily	Not yet enforced	488
306	Meeting of creditors	Not yet enforced	500
		Not yet enforced	501
307	Publication of resolution to windup voluntarily	Not yet enforced	485
308	Commencement of voluntary winding up	Not yet enforced	486
309	Effect of voluntary winding up	Not yet enforced	487
310	Appointment of Company Liquidator	Not yet enforced	490
		Not yet enforced	502
		Not yet enforced	504
311	Power to remove and fill vacancy of Company Liquidator	Not yet enforced	492
		Not yet enforced	506
312	Notice of appointment of Company Liquidator to be given to Registrar	Not yet enforced	493
		Not yet enforced	516

313	Cesser of Board's powers on appointment of Company Liquidator	Not yet enforced	491
		Not yet enforced	505
314	Powers and duties of Company Liquidator in voluntary winding up	Not yet enforced	512
315	Appointment of committees	Not yet enforced	503
316	Company Liquidator to submit report on progress of winding up	Not yet enforced	496
		Not yet enforced	508
317	Report of Company Liquidator to Tribunal for examination of persons	Not yet enforced	519
318	Final meeting and dissolution of company	Not yet enforced	497
		Not yet enforced	509
319	Power of Company Liquidator to accept shares, etc., as consideration for sale of property of company	Not yet enforced	494
320	Distribution of property of company	Not yet enforced	511
321	Arrangement when binding on company and creditors	Not yet enforced	517
322	Power to apply to Tribunal to have questions determined, etc.	Not yet enforced	518
323	Costs of voluntary winding up	Not yet enforced	520
324	Debts of all descriptions to be admitted top roof	Not yet enforced	528
325	Application of insolvency rules in winding up of insolvent companies	Not yet enforced	529
326	Overriding preferential payments	Not yet enforced	529A
327	Preferential payments	Not yet enforced	530
328	Fraudulent preference	Not yet enforced	531
329	Transfers not in good faith to be void	Not yet enforced	531A
330	Certain transfers to be void	Not yet enforced	532
331	Liabilities and rights of certain persons fraudulently preferred	Not yet enforced	533
332	Effect off loating charge	Not yet enforced	534
333	Disclaimer of onerous property	Not yet enforced	535
334	Transfers, etc., after commencement of winding up to be void	Not yet enforced	536
335	Certain attachments, executions, etc., in winding up by Tribunal to be void quidation	Not yet enforced	537
336	Offences by officers of companies in liquidation	Not yet enforced	538
		Not yet enforced	539
337	Penalty for frauds by officers	09-09-2016	[Notifications of Sections 337, 338 339, 340 & 341 (to the extent of its applicability to section 246)
338	Liability where proper accounts not kept	Not yet enforced	541
339	Liability for fraudulent conduct of business	Not yet enforced	542
340	Power of Tribunal to assess damages against delinquent directors, etc.	Not yet enforced	543
341	Liability under sections 339 and 340 to extend to partners or directors in firms or companies	Not yet enforced	544
342	Prosecution of delinquent officers and members of company	Not yet enforced	545
343	Company Liquidator to exercise certain powers subject to sanction	Not yet enforced	546
344	Statement that acompany is in liquidation	Not yet enforced	547
345	Books and papers of company to be evidence	Not yet enforced	548
346	Inspection of books and papers by creditors and contributories	Not yet enforced	549
347	Disposal of books and papers of company	Not yet enforced	550
348	Information as to pending liquidations	Not yet enforced	551
349	Official Liquidator to make payments in to public account of India	Not yet enforced	552
350	Company Liquidator to deposit monies into scheduled bank	Not yet enforced	553
351	Liquidator not to deposit monies into private banking account	Not yet enforced	554
352	Company Liquidation Dividend and Undistributed Assets Account	Not yet enforced	555
353	Liquidator to make returns, etc.	Not yet enforced	556
354	Meetings to ascertain wishes of creditors or contributories	Not yet enforced	557
355	Court, Tribunal or person, etc., before whom affidavit may be sworn	Not yet enforced	558
356	Powers of Tribunal to declared is solution of company void	Not yet enforced	559
357	Commencement of winding up by Tribunal	Not yet enforced	441

358	Exclusion of certain time in computing period of limitation	Not yet enforced	458A
359	Appointment of Official Liquidator	Not yet enforced	-
360	Powers and functions of Official Liquidator	Not yet enforced	-
361	Summary procedure for liquidation	Not yet enforced	-
362	Sale of assets and recovery of debts due to company	Not yet enforced	-
363	Settlement of claims of creditors by Official Liquidator	Not yet enforced	-
364	Appeal by creditor	Not yet enforced	-
365	Order of dissolution of company	Not yet enforced	-
<b>CHAPTER XXI : Companies Authorised to Register under this Act</b>			
366	Companies capable of being registered	04-01-2014	
367	Certificate of registration of existing companies	04-01-2014	
368	Vesting of property on registration	04-01-2014	
369	Saving of existing liabilities	04-01-2014	
370 (except the Continuation of pending legal proceedings proviso)		04-01-2014	
371	Effect of registration under this Part	04-01-2014	
372	Power of Court to stay or restrain proceedings	Not yet enforced	580
			586
373	Suits stayed on winding up order	Not yet enforced	581
			587
374	Obligation of Companies registering under this Part	04-01-2014	
375	Winding up of unregistered companies	Not yet enforced	582
			583
376	Power to windup foreign companies, although dissolved	Not yet enforced	584
377	Provisions of Chapter cumulative	Not yet enforced	589
378	Saving and construction of enactments conferring power to windup partnership firm, association or company, etc., in certain cases	Not yet enforced	590
<b>CHAPTER XXII : Companies Incorporated Outside India</b>			
379	Application of Act to foreign companies	09-12-2013	
380	Documents, etc., to be delivered to Registrar by foreign companies	04-01-2014	
381	Accounts of foreign company	04-01-2014	
382	Display of name, etc., of foreign company	09-12-2013	
383	Service on foreign company	09-12-2013	
384	Debentures, annual return, registration of charges, books of account and their inspection	04-01-2014	
385	Fee for registration of documents	04-01-2014	
386 [except clause (a)]	Interpretation	09-12-2013	
386 [Clause (a)]		04-01-2014	
387	Dating of prospectus and particulars to be contained therein	04-01-2014	
388	Provisions as to expert's consent and allotment	04-01-2014	
389	Registration of prospectus	04-01-2014	
390	Offer of Indian Depository Receipts	04-01-2014	
391 [Sub-section (1)]	Application of sections 34 to 36 and Chapter XX	04-01-2014	
392	Punishment for contravention	04-01-2014	
393	Company's failure to comply with provisions of this Chapter not to affect validity of contracts, etc	04-01-2014	
<b>CHAPTER XXIII : Government Companies</b>			
394	Annual reports on Government companies	09-12-2013	
395	Annual reports where one or more State Governments are members of companies	04-01-2014	
<b>CHAPTER XXIV : Registration Offices and Fees</b>			
396	Registration offices	04-01-2014	

397	Admissibility of certain documents as evidence	04-01-2014	
398 (both inclusive)	Provisions relating to filing of applications, documents, inspection, etc., in electronic form	04-01-2014	
399 [except reference of word Tribunal in sub-section (2)]	Inspection, production and evidence of documents kept by Registrar	01-06-2016	
400	Electronic form to be exclusive, alternative or in addition to physical form	04-01-2014	
401	Provision of value added services through electronic form	04-01-2014	
402	Application of provisions of Information Technology Act, 2000	04-01-2014	
403	Fee for filing, etc	04-01-2014	
404	Fees, etc., to be credited into public account	04-01-2014	
<b>CHAPTER XXV : Companies to furnish Information or Statistics</b>			
405	Power of Central Government to direct companies to furnish information or statistics	09-12-2013	
<b>CHAPTER XXVI : Nidhis</b>			
406	Power to modify Act in its application to Nidhis	04-01-2014	
<b>CHAPTER XXVII : National Company Law Tribunal and Appellate Tribunal</b>			
407	Definitions	09-12-2013	
408	Constitution of National Company Law Tribunal	01-06-2016	
409	Qualification of President and Members of Tribunal	09-12-2013	
410	Constitution of Appellate Tribunal	01-06-2016	
411	Qualifications of Chairperson and members of Appellate Tribunal	09-12-2013	
412	Selection of Members of Tribunal and Appellate Tribunal	09-12-2013	
413	Term of office of President, Chairperson and other Members	09-12-2013	
414	Salary, allowances and other terms and conditions of service of Members	09-12-2013	
415	Acting President and Chairperson of Tribunal or Appellate Tribunal	01-06-2016 [Notification of Section 415 to 433, & Clause (a) and (b) to Sub-section (1) & (2) Sub-Section (2) to 434 of the companies Act 2013. Provisions related to NCLT and NCLAT are being covered u/s 407 to 434 of the Companies Act 2013. Section 407 to 414 were enforced from 12-09-2013. Further sections from 415 to 433 & certain sub-sections of 434 have come into effect from 01-06-2016	10FH
			10FS
416	Resignation of Members		10FI
			10FU
417	Removal of Members		10FJ
			10FV
418	Staff of Tribunal and Appellate Tribunal		10FK
			10GA
419	Benches of Tribunal		10FL
420	Orders of Tribunal		10FM
421	Appeal from orders of Tribunal		10FQ
422	Expeditious disposal by Tribunal and Appellate Tribunal		-
423	Appeal to Supreme Court		10GF
424	Procedure before Tribunal and Appellate Tribunal		10FZA
425	Power to punish for contempt		10G
426	Delegation of powers		10FO
427	President, Members, officers, etc., to be public servants		10FY
428	Protection of action taken in good faith		10FZ
429	Power to seek assistance of Chief Metropolitan Magistrate, etc.		10FP
430	Civil court not to have jurisdiction		10
			10GB
431	Vacancy in Tribunal or Appellate Tribunal not to invalidate acts or proceedings		10GC
432	Right to legal representation		10GD
433	Limitation		10GE
434	Transfer of certain pending proceedings		647A
434(1)	Transfer of matters & proceedings pending before CLB to NCLT to dispose of	01-06-2016	

<b>CHAPTER XXVIII : Special Courts</b>			
435	Establishment of Special Courts	Not yet enforced	-
436	Offences triable by Special Courts	Not yet enforced	-
437	Appeal and revision	Not yet enforced	-
438	Application of Code to proceedings before a Special Court	Not yet enforced	-
439	Offences to be non-cognizable	09-12-2013	
440	Transitional provisions	Not yet enforced	-
441	Compounding of certain offences	01-06-2016	621A
442	Mediation and conciliation penal	04-01-2014	
443	Power of Central Government to appoint company prosecutors	09-12-2013	
444	Appeal against acquittal	09-12-2013	
445	Compensation for accusation without reasonable cause	09-12-2013	
446	Application of fines	09-12-2013	
<b>CHAPTER XXIX : Miscellaneous</b>			
447	Punishment for fraud	09-12-2013	
448	Punishment for false statements	09-12-2013	
449	Punishment for false evidence	09-12-2013	
450	Punishment where no specific penalty or punishment is provided	09-12-2013	
451	Punishment in case of repeated default	09-12-2013	
452	Punishment for wrongful withholding of property	09-12-2013	
453	Punishment for improper use of "Limited" or "Private Limited"	09-12-2013	
454	Adjudication of penalties	04-01-2014	
455	Dormant company	04-01-2014	
456	Protection of action taken in good faith	09-12-2013	
457	Non-disclosure of information in certain cases	09-12-2013	
458	Delegation by Central Government of its powers and functions	09-12-2013	
459	Powers of Central Government or Tribunal to accord approval, etc., subject to conditions and to prescribe fees on applications	09-12-2013	
460	Condonation of delay in certain cases	09-12-2013	
461	Annual report by Central Government	09-12-2013	
462	Power to exempt class or classes of companies from provisions of this Act	09-12-2013	
463	Power of court to grant relief in certain cases	09-12-2013	
464	Prohibition of association or partnership of persons exceeding certain number	04-01-2014	
465	Repeal of certain enactments and savings	Not yet enforced	2(10A)
			10E
			10F
			581A to 581ZT
			634A
			645
			646
			647
			648
			652
			653
			654
			656
			658
466	Dissolution of Company Law Board and consequential provisions	01-06-2016	10FA
467	Power of Central Government to amend Schedules	09-12-2013	
468	Powers of Central Government to make rules relating to winding up	09-12-2013	
469	Power of Central Government to make rules	09-12-2013	
470	Power to remove difficulties	09-12-2013	

<b>Schedule-I</b>	Specimen Memorandum and Articles of Association	04-01-2014	
<b>Schedule-II</b>	Useful Lives to Compute Depreciation	04-01-2014	
<b>Schedule-III</b>	General Instructions for Preparation of Balance Sheet and Statement of Profit and Loss of a Company	04-01-2014	
<b>Schedule-IV</b>	Code for Independent Directors	04-01-2014	
<b>Schedule-V</b>	Part I : Conditions to be fulfilled for the appointment of a managing or whole-time director or a manager without the approval of the Central Government	04-01-2014	
	Part II : Remuneration		
	Part III : Provisions applicable to Parts I and II of this Schedule		
	Part IV : Exemption		
<b>Schedule-VI</b>	Infrastructural projects / facilities —Scope of	04-01-2014	
<b>Schedule-VII</b>	Activities which may be included by Companies in their Corporate Social Responsibility Policies	04-01-2014	

**MINISTRY OF CORPORATE AFFAIRS**  
**ORDER**  
**New Delhi, the 10<sup>th</sup> April, 2015**

**Replace with the following:**

**COMPANIES (AUDITOR'S REPORT) ORDER, 2016**

**[G.S.R. 1228(E) dated 29.03.2016]**

In exercise of the powers conferred by sub-section (11) of section 143 of the Companies Act, 2013 (18 of 2013 ) and in supersession of the Companies (Auditor's Report) Order, 2015 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), vide number S.O. 990 (E), dated the 10th April, 2015, except as respects things done or omitted to be done before such supersession, the Central Government, after consultation with the, committee constituted under proviso to sub-section (11) of section 143 of the Companies Act, 2013 hereby makes the following Order, namely:

**1. Short title, application and commencement**

- (1) This Order may be called the Companies (Auditor's Report) Order, 2016.
- (2) It shall apply to every company including a foreign company as defined in clause (42) of section 2 of the Companies Act, 2013 (18 of 2013) [hereinafter referred to as the Companies Act], except:
  - (i) a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949);
  - (ii) an insurance company as defined under the Insurance Act, 1938 (4 of 1938);
  - (iii) a company licensed to operate under section 8 of the Companies Act;
  - (iv) a One Person Company as defined under clause (62) of section 2 of the Companies Act and a small company as defined under clause (85) of section 2 of the Companies Act; and
  - (v) a private limited company, not being a subsidiary or holding company of a public company, having a paid up capital and reserves and surplus not more than rupees one crore as on the balance sheet date and which does not have total borrowings exceeding rupees one crore from any bank or financial institution at any point of time during the financial year and which does not have a total revenue as disclosed in Scheduled III to the Companies Act, 2013 (including revenue from discontinuing operations) exceeding rupees ten crore during the financial year as per the financial statements.

**2. Auditor's report to contain matters specified in paragraphs 3 and 4:**

Every report made by the auditor under section 143 of the Companies Act, 2013 on the accounts of every company audited by him, to which this Order applies, for the financial years commencing on or after 1st April, 2015, shall in addition, contain the matters specified in paragraphs 3 and 4, as may be applicable:

Provided the Order shall not apply to the auditor's report on consolidated financial statements.

**3. Matters to be included in the auditor's report:**

The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely:-

- (i) (a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) whether these fixed assets have been physically verified by the management at reasonable

intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;

- (c) whether the title deeds of immovable
- (ii) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;
- (iii) whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,
  - (a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;
  - (b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;
  - (c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;
- (iv) in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.
- (v) in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?
- (vi) whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.
- (vii) (a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;
  - (b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).
- (viii) whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).
- (ix) whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the



details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;

- (x) whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;
- (xi) whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;
- (xii) whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;
- (xiii) whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiv) whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;
- (xv) whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.

#### **4. Reasons to be stated for unfavourable or qualified answers**

- (1) Where, in the auditor's report, the answer to any of the questions referred to in paragraph 3 is unfavourable or qualified, the auditor's report shall also state the basis for such unfavourable or qualified answer, as the case may be.
- (2) Where the auditor is unable to express any opinion on any specified matter, his report shall indicate such fact together with the reasons as to why it is not possible for him to give his opinion on the same.

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