

MAJOR ACHIEVEMENTS OF MCA FOR SEPTEMBER, 2016

- (i) The Ministry vide notification no. G.S.R. 2843(E), dated 01.09.2016 has notified certain designated Special Courts with the concurrence of the Chief Justice of the High Courts of Chhattisgarh, Rajasthan, Punjab and Haryana, Madras and Manipur, for providing speedy trial of offences punishable with imprisonment of two years or more under the Companies Act, 2013.
- (ii) The Ministry vide Notification No. S. O. 2922(E), dated 12.09.2016, has amended part II, Section-II, Schedule V of the Companies Act, 2013 which deals with remuneration payable to the managerial personnel by companies having no profit or inadequate profit without Central Government approval. Vide this amendment, the remunerations that may be paid by such companies to its managerial personnel have been doubled. Further, managerial personnel who are functioning in a professional capacity have been allowed to be remunerated without any limit subject to certain conditions.
- (iii) The Ministry vide notification No. G.S.R. 908(E), dated 23.09.2016 has amended the Companies (Management and Administration) Rules, 2014 to provide for transfer of particulars available in register of members maintained under the Companies Act, 1956 to the new register of members in form no. MGT-1. Further, clarity has been brought about with regard to obligation of listed companies for reporting changes in the position of the promoters and top ten shareholders. Now, an Extraordinary General Meeting called by requisitionists can be held on any day except a national holiday. Moreover, every listed company and every company having not less than 1000 members is now required to provide to its members the facility of exercising their voting rights by electronic means, with carve outs for Nidhi

Companies and companies referred to in chapter XB and XC of SEBI (ICDR) Regulations, 2009.

- (iv) The Companies (Mediation and Conciliation) Rules, 2016 were issued under section 442 of the Companies Act, 2013 on 9th September, 2016. These rules provide for the creation and maintenance of Mediation and Conciliation Panel by Regional Directors as well as the manner in which Mediator and Conciliators may be appointed for facilitating mediation/conciliation at any stage during the proceedings before Central Government, National Company Law Tribunal (NCLT) or National Company Law Appellate Tribunal (NCLAT) under the Companies Act, 2013.
- (v) A Notification was issued on 9th September, 2016 for commencement of section 227, part of section 242, section 246 and sections 337-341 (to the extent of their applicability for section 246) with effect from 9th September, 2016. These provisions seek to confer certain powers on NCLT which would enable it to adjudicate more effectively the matters under its jurisdiction under provisions of Companies Act, 2013 brought into force on 1st June, 2016.
- (vi) A Notification was issued on 5th September, 2016 for commencement of section 124 (Unpaid Dividend Account) and part of section 125 (Investor Education and Protection (IEPF) Fund) alongwith IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 with effect from 7th September, 2016. With the commencement of these provisions alongwith relevant rules, the provisions of the Companies Act, 2013 would enable refund of the claims out of IEPF to eligible claimants.