

UNIT 4 MEETING AND RESOLUTION

Meeting- Statutory Meeting- Annual General Meeting- Extra Ordinary General Meeting- Notice Of Meeting- Quorum-Proxy-Board Of Directors Meeting - Committee- Types Of Committee- Audit Committee-Stake Holders Relationship Committee- Corporate Social Responsibility Committee. Resolutions -Ordinary Resolution- Special Resolution- Resolution Requiring Special Notice.

MEETINGS

Meaning

A meeting is a gathering of people to present or exchange information, plan joint activities, make decisions, or carryout actions already agreed upon. In other words, as assembly of relevant persons validly convened through proper notice for transacting business mentioned in an agenda is known as a meeting.

A company as a legal entity is capable of acting in its own name. but since it has no physical existence, it has always to act only through its members or directors of a company. Only when act as a body at the respective meetings through resolution, the company is perceived to be acting. Hence the meetings are very important for transacting and implementation of businesspolitics.

REQUISITES OF A VALID MEETING

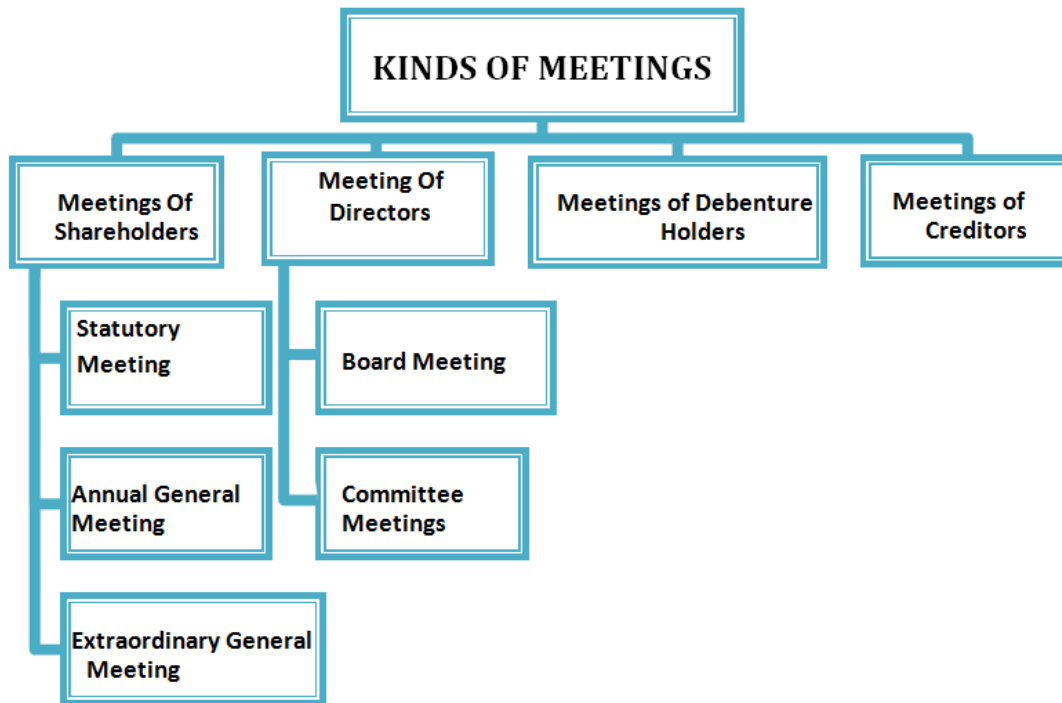
A meeting is any kind, to be valid, must satisfy the following conditions.

1. It must be properly convened. That is, it should be called by the proper authority entitled to call the meeting. The proper authority to convene the meeting is the Board of directors, shareholders or the Company Law Board
2. It must be legally constituted. This means that the meeting should have a proper chairman; quorum must be present
3. It should be conducted according to the provisions of the Act and the Articles
4. It should be properly conducted

Notice of Meeting

Notice of Meeting of a Company. A Notice of Meeting of a Company is a document informing the members or directors of a company about an upcoming meeting. This document specifies the date, time and place of the meeting and the general nature of the business to be transacted at the meeting.

KINDS OF MEETINGS



MEETINGS OF SHAREHOLDERS

1. STATUTORY MEETING

The first meeting of the shareholders of a public limited company which is mandatory as per the Companies Act is known as statutory meeting. Every public limited company limited by shares and limited by Guarantee Company must compulsorily hold this meeting within 6 months and not earlier than one month from the date on which the company is entitled to commence business. This is held only once in the life time of the company.

The object of the meeting is to afford an opportunity to the shareholders to know important details of company formation, the success of its capital issue, properties that have been acquired, etc. Along with the notice convening the meeting, a report called statutory report must also be sent to all members at least 21 days before the date of the meeting.

This meeting provides an opportunity to members to discuss various matters relating to the contents of statutory report. They can also effect any modification to the contracts mentioned in the prospectus.

Content of Statutory Report

1. Details of shares issued for cash and those issued for consideration other than cash
2. Total amount of receipts and payments upto a date within 7 days of the report
3. An account or an estimate of the preliminary expenses
4. Particulars of contracts for approval and proposed modification
5. Details of underwriting contract not carried out and the reasons therefor
6. Particulars of commission or brokerage paid or to be paid to directors on issue of shares or debentures
7. Particulars about directors, managing directors, manager and secretary
8. Particulars of calls due from directors, managing director, etc

The statutory report must be certified as correct by at least two directors, one of whom must be a Managing Director. As far cash received on shares allotted and other receipts and payments they must be certified by an auditor. A certified copy of the statutory report must be filed with the Registrar. Members can inspect the list of members and the number of shares held by them.

Consequence of default

If any default is made in holding the statutory meeting within the prescribed time or in filing the statutory report to the Registrar, every director or other officer in default is punishable with a fine upto Rs.5,000.

Further, the court can order even winding up of the company on a petition filed by a member of the company. Such is the significance of the statutory meeting.

2. ANNUAL GENERAL MEETING (AGM)

Every company is required to hold an annual general meeting in addition to any other meetings. The first AGM must be held within a period of 18 months from the date of its incorporation. Subsequently the interval between two AGM must not be more than 15 months.

The ordinary businesses at these meetings are:

- i. Consideration and adoption of the annual accounts and the reports of the directors and auditors
- ii. Declaration of dividend
- iii. Appointment of directors in place of those retiring
- iv. Appointment of auditors and fixing remuneration to them

Special Business

All other businesses transacted at this meeting are called special businesses. Examples

of special business; Removal of Director, issue of rights or bonus shares, election of a person other than a retiring person as a director, etc

Consequences of Default

If a company fails to hold an AGM, the company and every officer who is in default shall be punishable with a fine upto Rs.50,000 and in the case of continuing default, with a further fine of Rs.2,500 per day during which the default continues.

Importance of AGM

The shareholders get an opportunity to review the performance of the company to discuss the affairs of the company and to take steps necessary for protecting their interests.

3. EXTRAORDINARY GENERAL MEETING

Any meeting other than the statutory meeting and the AGM of the company is called extraordinary general meeting. It is convened for transacting any urgent or special business which cannot be postponed till the next AGM. An extraordinary general meeting may be convened by the Board of directors on its own, or on the requisition of the members subject to certain conditions.

Extraordinary General Meeting convened by the requisitionists

If the Board of directors fails to call the meeting within 21 days and the meeting is not held within 45 days of requisition, the requisitionists themselves may call the meeting within three months from the date of requisition.

Extraordinary General Meeting by Company Law Board

If it is not possible for the members to convene an extraordinary meeting, the Company Law Board either on its own motion or on the application of any director or member may call such a meeting.

4. MEETINGS OF THE BOARD OF DIRECTORS

Meetings of directors are called Board meetings. They are very important because all important matters relating to the company and its policies are decided there at.

Provisions regarding Board Meetings

The Board meeting must be held at least once in every three calendar months. At least four such meetings should be held in every year. The notice of every Board meeting must be given by writing to every director. Who is present in India at his usual address. The quorum for the Board meeting shall be one third of the total strength of the Board (any fraction being

rounded off as one) or two directors whichever is higher.

The Board is entitled to exercise all such powers and to do all such acts as the company is authorized to do. However, the Companies Act imposes certain restrictions on the powers of the Board.

5. MEETINGS OF COMMITTEE OF DIRECTORS

Since it is not possible for the Board to devote time to carry on investigation on different matters, the Board may delegate their powers to committees, if the Articles of Association so provides. The Board is empowered to delegate for example the following powers to any committee of directors.

- a) The power to borrow money, otherwise than on demand
- b) The power to invest the funds of the company
- c) The power to make loans, etc

6. MEETINGS OF DEBENTURE HOLDERS

Such meetings are convened when the company wants to change the terms of security or to modify the rights, or to change the rate of interest payable, etc

7. MEETINGS OF CREDITORS

Meetings of creditors are held when the company proposes to make a scheme of arrangements with its creditors.

OTHER ASPECTS TO BE REMEMBERED DURING THE MEETINGS

A. PROXIES

The term 'Proxy' may refer to a person who is authorized by a member for the purpose of attending the meeting. It also means the instrument by which the proxy is authorized. The following points relating to proxies are worth noting;

- ✓ Members of a company having a share capital have a right to appoint proxies.
- ✓ Proxy need not be a member of the company
- ✓ Proxy can attend a meeting but he has no right to speak
- ✓ Proxy cannot vote except on a poll
- ✓ A member can appoint more than one proxy
- ✓ The proxy form must be in writing, duly signed by the appointer and stamped. It must be lodged at the company's office 48 hours before the commencement of the meeting.

B. QUORUM

The word 'Quorum' means the minimum number of members required to be personally present at a meeting for validly transacting any business. Usually the quorum is fixed by the Articles.

The quorum shall be two members personally present in the case of a private company and five in case of public company. The quorum for the Board meeting shall be one third of the strength or two directors whichever is higher. However, the Articles may provide a larger number.

For calculating quorum, proxies should not be counted and only members present in person must be considered. Quorum should be present throughout the meeting. The importance of quorum can be understood if it is noted that any resolution passed in the absence of a quorum is not valid. Similarly, if quorum is not present, the meeting itself stands adjourned.

B. AGENDA OF MEETING

Agenda means the list of business to be transacted at the meeting. It is generally prepared by the secretary in consultation with the chairman.

C. MINUTES OF MEETING

The term minutes refers to accurate official record of decisions taken at various company meetings. Every company must keep the minutes containing summary of all proceedings of general and Board meeting in books. Minutes should be brief and factual. It should be so accurate as not to give for misinterpretation. It should be free from superfluous words.

The following particulars should be present in the minutes;

- i. Nature of the meeting
- ii. Date, time and place of the meeting
- iii. Names of Chairman, directors, secretary and number of members attending
- iv. Business of the meeting in the order set out in the agenda
- v. Approval of the minutes of the last meeting
- vi. Resolution passed in the meeting
- vii. Chairman's signature with date

COMMITTEE

Meaning

A group of people appointed for a specific function by a larger group and typically consisting of members of that group. These persons are delegated to consider, investigate, take action on, or report on some issues.

The Committee will also examine the feasibility of a mechanism through which the government could settle cases involving violations under the Companies Act.

Requirement of establishing the Committee as per the Companies Act 2013

- **For the ease of the Board of Directors**

At times it is practically difficult to organize board meetings that suit the convenience and other commitments of each director. By having smaller committees, the convenience and commitments of the director also get addressed effectively.

- **For Good Corporate governance**

The Board in order to achieve the desired results has to concentrate more on selected team members on particular business dealings and issues. For maintaining the Corporate social responsibility, shareholders as well as stakeholder's relationship, the Committee is required for specialized companies.

Types of Committees as per the Companies Act, 2013

As per Companies Act 2013, Mandatory Committees required to be formed for the Companies are as follows-

1. AUDIT COMMITTEE

Applicability of the Audit Committee

- Every listed Company
- Every other Public company-
 - ✓ Having **Paid up capital of Rs.100 crores or more**; or
 - ✓ Which have, in aggregate, outstanding **loans or borrowings or debentures or deposits exceeding Rs.50 Crores.**

Composition of the Audit Committee

The Audit Committee shall comprise of

- A minimum of 3 directors with a majority of directors being Independent Directors.
- Additionally, the members of the Audit Committee shall be a person of integrity and with an ability to understand the financial statement.

Function performed by the Audit Committee

1. To give recommendation for the appointment, remuneration, and terms of appointment of the auditor of the company.
2. At the Annual General Meeting, Chairman of the Audit Committee shall be present to answer shareholder queries.
3. While considering the Auditor's report, the Auditor of a company and the KMP (Key Managerial Personnel) shall have a right to be heard in the meeting of the audit committee but shall not have the right to vote.
4. To establish a Vigil Mechanism Policy: Every listed company and a company which has-
5. Accepted deposits from the public; –
6. The company has borrowed money from Bank and PFI's in excess of Rs. 50 crores

2. NOMINATION AND REMUNERATION COMMITTEE

Applicability of the Nomination and Remuneration Committee

- Every listed Company
- Every other Public company-
 - ✓ Having **Paid up capital of Rs.100 crores or more**; or
 - ✓ Which have, in aggregate, outstanding **loans or borrowings or debentures or deposits exceeding Rs.50 Crores.**

Composition of the Nomination and Remuneration Committee

- The Nomination and Remuneration Committee shall comprise of 3 or more non-executive directors, out of it more than half the directors shall be an Independent director.

- The chairman of the company can be appointed as a member of the Nomination and Remuneration Committee but shall not chair the committee.

Functions performed by the Nomination and Remuneration Committee

- Identify the person who is qualified to be a director and can be appointed in the senior management of the company in accordance with the criteria laid down by the Board of the director.
- Can recommends to the board, the appointment and removal of the person
- Shall specify the approach for the effective mechanism of the company
- Can evaluate the performance of the Board and The Individual Director.

3. Stake-holder Relationship Committee

Applicability of the Stake-holder Relationship Committee

A company having more than 1000 Members, Debenture Holders, Deposit Holder or Security Holders are required to constitute a Stake-holder Committee.

Composition of the Stake-holder Relationship Committee

- Constitute a chairperson who shall be a **non-executive director** and
- Other members as may be recommended by the Board

Functions performed by the Stakeholder relationship Committee

- Transfer/transmission of shares.
- Split-up/sub-division and consolidation of shares.
- Issue of new and duplicate **share** certificates.
- Registration of Power of Attorneys, Probates, Letter of transmission or other documents
- Consider and resolve the stakeholder's grievances.

4. CSR (CORPORATE SOCIAL RESPONSIBILITY) COMMITTEE

Purposes, Resources and General Considerations of CSR Committee

The Corporate Social Responsibility Committee (the "Committee") is appointed by the Board of Directors (the "Board") to promote a culture that emphasizes and sets high standards for corporate social responsibility and reviews corporate performance against those standards.

The Committee will consider the impact of the Corporation's businesses, operations and programs from a social responsibility perspective, taking into account the interests of shareholders, clients, employees, communities and regulators.

Composition, Meetings and Procedures of CSR Committee

- The Committee will consist of **3 or more Directors**, each of whom shall have been determined to be independent in accordance with the Corporation's Corporate Governance Guidelines. **Committee members** and the **Committee Chairman** will be appointed annually by the Board on the recommendation of the Corporate Governance and Nominating Committee and serve at the pleasure of the Board.
- The Committee may form **subcommittees** for any purpose and may delegate to such subcommittees or to members of the Corporation's management such powers and authority as it deems appropriate.
- The Committee shall meet as frequently as necessary to fulfil its duties and responsibilities, but not less than 3 times per year.
- A meeting of the Committee may be called by its Chairman or any two members.
- Minutes of its meetings will be approved by the Committee and maintained by the Corporation on behalf of the Committee. The Committee will report its activities to the Board.

Responsibilities and Duties of CSR Committee

The Committee shall provide oversight of the Corporation's operations and programs regarding:

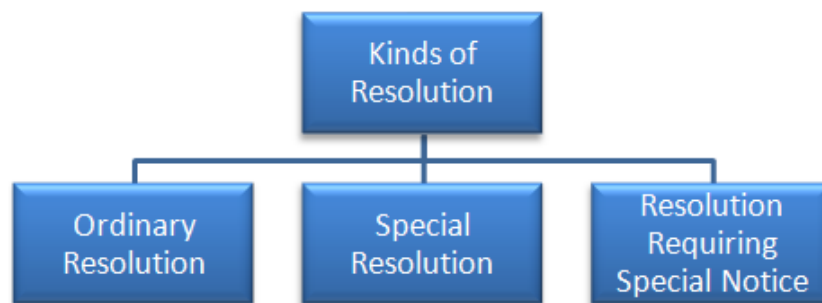
- employee community involvement
- public policy, advocacy, and political contributions
- environmental management and corporate social responsibility of suppliers

- human rights, as reflected in the Corporation's policies and actions toward employees, suppliers, clients and communities
- Corporation's operations and initiatives that can create a positive or negative impact from a social responsibility perspective.

RESOLUTION

When a proposal placed before the meeting is passed by the meeting, it becomes a resolution. A resolution thus reflects the decision of the majority. In other words, the decisions of the company are made by resolutions of its members passed at meetings of members. A proposal accepted by the members becomes resolution.

KINDS OF RESOLUTION



1. ORDINARY RESOLUTION

Any resolution passed by a simple majority is an ordinary resolution. Simple majority means that 51 percent or more of the votes have been cast in favour of the resolution.

When ordinary resolution is necessary?

- Adoption of audited accounts, director's report and auditor's report
- Appointment of auditors
- Election of directors in place of those retiring
- Declaration of dividend
- Issuing shares at a discount
- Removing a director before the expiry of his term
- Appointing a director in the place of removed director

2. SPECIAL RESOLUTION

Special resolution is one which is required for transacting any special business. It has to be passed by a three-fourths majority. In other words, the votes cast in favour of the resolution must exceed three times the votes cast against it.

The notice calling the meeting should specify the intention to pass the resolution as a special resolution. Notice must be given at least 21 days before the date of the meeting.

When special resolution is required?

- a) Altering the objects clause of the Memorandum
- b) Changing the place of the registered office from one State to another
- c) Altering the Articles of Association
- d) Reducing the Share Capital
- e) Making loans to other companies under the same management
- f) Paying interest out of capital in certain cases
- g) Voluntary winding up of the company

3. RESOLUTION REQUIRING SPECIAL NOTICE

This type of resolution does not belong to a separate category. However, the mover of the proposed resolution must give a special notice of 14 days to the company. On receipt of this resolution, the company in turn has to give notice to the members at least 7 days before the date of the meeting. Where it is not practicable, it can publish it in a newspaper.

Items requiring special notice

- a) Appointing an auditor other than a retiring auditor
- b) Passing a resolution that a retiring auditor should not be appointed
- c) Removing a director before the expiry of his term
- d) Appointing a director in place of the removed director

VOTING AND POLL VOTING

Voting means expressing one's statement either for or against a proposed resolution, called motion. In a company meeting voting can be by way of acclamation of

voice, show of hands and poll.

1. VOTING BY ACCLAMATION OF VOICE

Those favouring the motion are requested to say 'yes' or those who are against it are requested to say 'no'. The intention of the members is ascertained by the volume of sound.

2. VOTING BY SHOW OF HANDS

Members favouring a resolution are asked to raise their hands and the number is counted. Similar procedure is adopted to count the number of members who are against it. Thus the resolution is declared passed or lost.

3. VOTING BY POLL

When dissatisfied with the result of voting by show of hands, a poll may be demanded. Here each member records his vote on a voting card for or against the resolution. The voting rights of a member are in proportion to his share of the paid up equity capital of the company. Either the chairman on his own motion or on demand by prescribed number of members present in person or by proxies can order poll. Proxy is allowed to vote in a poll.

References

1. P.M.S.Abdul Gaffoor and S. Thothadri, Company Law, Vijay Nichole Imprints Private Limited, 2e(2016).
2. V.Balachandran and S. Thothadri, Legal Aspects of Business, Tata Mc Graw Hill Education Private Limited, (2012).
3. P.Saravanavel S.Sumathi, Legal Systems in Business, Himalaya Publishing House,(2011).

Question Bank

PART – A

- 1.Recall the meaning of Meeting
- 2.Memorize the requisites of a valid meeting.
- 3.List the kinds of meetings.
- 4.Explain proxy.
- 5.List the four contents of statutory meetings.
- 6.Underline the meaning of quorum.
- 7.Discuss about minutes of meeting.
- 8.Tell about agenda of meeting.
- 9.Reiterate when ordinary resolution is necessary.
- 10.Express the ways of voting in company

PART – B

- 1.Categorize the different types of meetings
- 2.Explain statutory meeting and statutory report with its contents.
- 3.Review the need and objective of Annual general meeting.
- 4.Discuss about Extra-ordinary General Meeting, Meeting of BOD and Committee of Directors.

5. Express the applicability, composition, functions of Audit committee.
6. Report on applicability, composition, functions of Nomination and Remuneration committee
7. Review on Corporate Social Responsibility Committee.
8. Inspect the applicability, composition, functions of Stake-holder's relationship committee.
9. Classify different kinds of resolution passed in a company.
10. Summarize other aspects of meeting such as quorum, proxy, agenda, minutes and notice of meeting.

References

4. P.M.S. Abdul Gaffoor and S. Thothadri, Company Law, Vijay Nichole Imprints Private Limited, 2e(2016).
5. V. Balachandran and S. Thothadri, Legal Aspects of Business, Tata Mc Graw Hill Education Private Limited, (2012).
6. P. Saravanel S. Sumathi, Legal Systems in Business, Himalaya Publishing House, (2011).

UNIT 5 WINDING UP OF COMAPNY

Modes Of Winding Up- Winding Up By The Court- Voluntary Winding Up- Types- Members Voluntary Winding Up- Creditors Voluntary Winding Up- National Company Law Appellate Tribunal.

WINDING UP OF THE COMPANIES

MEANING

Winding up of a company is a process of putting to an end to the life of a company. It is a proceeding by means of which a company is dissolved and in the course of such dissolution its assets are collected, its members, if necessary pay off its debts out of assets of the company or from contribution. If any surplus is left, it is distributed among the members in accordance with their rights.

DEFINITION

According to Prof. Gower, winding up of a company is the process whereby its life is ended and its property administered for the benefit of its creditors and members. An administrator, called liquidator, is appointed and he takes control of the company, collects its assets, pay its debts and finally distributes any surplus among the members in accordance with their rights.

MODES OF WINDING UP

I. COMPULSORY WINDING UP BY THE COURT

A company may be wound up by an order of the court. This is called compulsory winding up. Sec.433 lays down the following grounds for the winding up of a company by the court;

1. If the company has by a special resolution resolved that it may be wound up by the court.
2. If the company makes a default in delivering the statutory report to the registrar or in holding the statutory meeting, the court may order winding up of the company either on the petition of the registrar or on the petition of the contributory
3. Where a company does not commence its business within a year from its incorporation, or suspends its business for a whole year, the court may order for its winding up.
4. Where the number of members is reduced below 7 in the case of a public company and below 2 in case of a private company, the court may order the winding up of the company.

5. The court may order for the winding up of a company if it is unable to pay its debts.
6. The last ground on which the court can order the winding up of a company is when the court is of the opinion that it is just and equitable that the company should be wound up.

Petition for winding up

The following persons can file a petition

1. The company
2. Any creditors or creditor including any contingent prospective creditor or creditors
3. Any contributory or contributories
4. All or any of the aforesaid parties, together or separately
5. The Registrar
6. Any person authorized by the Central Government under section 243

II. VOLUNTARY WINDING UP

The object of a voluntary winding up is that the company and its creditors are left to settle their affairs without going to the court, but they may apply to the court for any directions or orders if and when necessary. This form of winding up is by far the most common and the most popular form.

TYPES OF VOLUNTARY WINDING UP

i. Members voluntary winding up

Section 488 provides that where it is proposed to wind up a company voluntarily, the directors or a majority of them, may, at a meeting of the Board, make a declaration verified by an affidavit that the company has no debts or that it will be able to pay its debts in full within a period not exceeding 3 years from the commencement of winding up as may be specified in the declaration. Where such a declaration is duly made and delivered, the winding up following shall be called members voluntary winding up.

ii. Creditors Voluntary winding up

Where the declaration of solvency is not made the winding up is referred to as creditors' voluntary winding up. The provisions for creditors' voluntary winding up are similar to those applicable to the members' voluntary winding up except that in the former, it is the creditors who appoint the liquidator, fix the remuneration and generally conduct the winding up.

DISTINCTION BETWEEN MEMBERS & CREDITORS VOLUNTARY WINDING UP

S. No.	MEMBER'S VOLUNTARY WINDING UP	CREDITORS VOLUNTARY WINDING UP
1	Only meeting of members is called	Meeting of the members and creditors is Called.
2	No committee of inspection is appointed	Committee of inspection is appointed
3	Declaration of solvency is made by the directors	No such declaration is made
4	The liquidator is appointed and remuneration is fixed by the company itself	The liquidator is appointed by the creditors and remuneration is fixed by the committees of inspection
5	Such winding up takes place only when the company is in a position to pay its debts	Such winding up takes place only when the company is not in a position to pay its debts

III. WINDING UP SUBJECT TO SUPERVISION OF COURT

At any time after a company has passed a resolution for voluntary winding up the court may make an order that the voluntary winding up will continue, but subject to the supervision of the court and with such liberty for creditors, contributories and others to apply to the court on such terms and conditions as the court thinks fit. A petition for the continuance of a voluntary winding up subject to the supervision of the court must be deemed to be a petition for windingup by the court. The court may appoint or remove a liquidator on the application of the Registrar.

LIQUIDATOR

An administrator, called liquidator, is appointed and he takes control of the company, collects its assets, pay its debts and finally distributes any surplus among the members in accordance with their rights.

Sec.449, on winding up order made, the official liquidator by virtue of his office becomes the liquidator of the company.

Fees to the Central Government sec.451 (2), where the official liquidator becomes or acts as liquidator, there shall be paid to the central government out of the assets of the company such fees as may be prescribed.

Provisional Liquidator sec.450

The court may appoint official liquidator as liquidator provisionally. He has same powers and duties as liquidator in a winding up. Appointment of a provisional liquidator is a drastic measure. Should not be restored to except in special circumstances i.e., in cases of urgency.

Duties of Liquidator

1. Proceedings in winding up sec.451 (1)
2. reports Sec.455 (1)
3. Additional reports
4. custody of company property sec.456
5. exercise and control of liquidators power sec.460
6. directors from the court
7. proper books sec.461
8. appointment of committee of inspection sec.464
9. pending liquidation sec.551

Powers of liquidator

Powers of liquidator in winding up are divisible into 3 main groups;

1. With the sanction of the court sec.457 (1)
2. without the sanction of the court sec.457 (2)
3. with the leave of the court in case of onerous contracts sec.535

Liabilities of liquidator

Liquidator of company liable for negligence

1. If he distributes its assets without making due provision for liabilities or contingent claims of which he has notice
2. if he applies the company's assets in paying a doubtful claim without taking proper legal advice or direction from the court
3. if there is breach of any of his statutory duties, in such case he is liable in damages to a creditor or a contributory for injury to him

A liquidator is a trustee for the company's funds and property in his hand for the creditors. Liquidator is not trustee for the property in the assets invested in the company and when he makes contracts he does so in the company's name.

National Company Law Appellate Tribunal

The National Company Law Tribunal is a quasi-judicial body in India that adjudicates issues relating to Indian companies. The tribunal was established under the Companies Act 2013 and was constituted on 1 June 2016 by the government of India on law relating to the insolvency and the winding up of companies. The tribunal has sixteen benches.

All proceedings under the Companies Act, including proceedings relating to arbitration, compromise, arrangements, reconstructions and the winding up of companies shall be disposed off by the National Company Law Tribunal.

The NCLT bench is chaired by a Judicial member who is supposed to be a retired or a serving High Court Judge and a Technical member who must be from the Indian Corporate Law Service, ICLS Cadre.

The National Company Law Tribunal is the adjudicating authority for the insolvency resolution process of companies and limited liability partnerships under the Insolvency and Bankruptcy Code, 2016.

No criminal court shall have jurisdiction (the official powers to take legal decisions and judgements) 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. Also 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.

The National Company Law Tribunal has the power under the Companies Act to adjudicate (make a formal judgement on a disputed matter) proceedings:

1. Initiated before the Company Law Board under the previous act (the Companies Act 1956).
2. Pending before the Board for Industrial and Financial Reconstruction, including those pending under the Sick Industrial Companies (Special Provisions) Act, 1985.
3. Pending before the Appellate Authority for Industrial and Financial Reconstruction.
4. Pertaining to claims of oppression and mismanagement of a company, winding up of companies and all other powers prescribed under the Companies Act.

References

1. P.M.S.Abdul Gaffoor and S. Thothadri, Company Law, Vijay Nichole Imprints Private Limited, 2e(2016).
2. V.Balachandran and S. Thothadri, Legal Aspects of Business, Tata Mc Graw Hill Education Private Limited, (2012).
3. P.Saravanavel S.Sumathi, Legal Systems in Business, Himalaya Publishing House,(2011).

QUESTION BANK

PART – A

- 1.Underline the meaning of Winding up of the company.
- 2.List the modes of winding up of the company.
- 3.Label the petition for winding up of the company.
- 4.Tell about liquidator.
- 5.Highlight about voluntary winding up of a company.
- 6.State the various types of voluntary winding up of a company
- 7.Recognize creditor's voluntary winding up of a company
- 8.Identify any two distinctions between members and creditors voluntary winding up of a company.
- 9.Label Provisional Liquidator.
- 10.Summarize the powers of liquidator.

PART -B

1. Discuss the legal provision on winding up subject to the Supervision of Court.
2. State the legal provisions relating to Members Voluntary Winding Up of the company.
3. Describe about winding up of the company and explain about the various modes of winding up.
4. Explain the circumstances under which compulsory winding up shall be declared by the court of law.
5. Differentiate between members and creditors voluntary winding up of a company.
6. Summarize the procedure to be followed for winding up the company by the creditors.
7. Express the meaning of liquidator? Explain his powers, duties and liabilities.
8. Inspect the circumstances prompting winding up and consequences of Voluntary winding up.
9. Categorize the different types of voluntary winding up of the company
10. Report on National Company Law Appellate Tribunal.