

LOK SABHA

THE COMPANIES (AMENDMENT) BILL, 2016

[As introduced in Lok Sabha]

Notice of Amendments

Sl. No.	Name of the Member and text of Amendment	Clause No.
SHRI ARUN JAITLEY:		
1.	Page 1, line 1, for "Sixty-seventh", substitute "Sixty-eighth".	Enacting formula
2.	Page 1, line 3, for "2016", substitute "2017".	1
3.	Page 2, after line 32, insert— '(ixa) in clause (72), in the proviso, in clause (A), after the words "State Act", the words "other than this Act or the previous company law" shall be inserted;'	2
4.	Page 2, line 39, for "a company", substitute "the company".	2
5.	Page 2, after line 39, insert— 'Explanation.— For the purpose of this clause, "the investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.'	2
6.	Page 3, for lines 3 to 7, substitute— '(xii) in clause (87), in sub-clause (ii), for the words "total share capital", the words "total voting power" shall be substituted.'	2
7.	Page 3, for lines 22 to 46, substitute— '4. In section 4 of the principal Act, in sub-section (5), for clause (i), the following shall be substituted, namely:— "(i) Upon receipt of an application under sub-section (4), the Registrar may, on the basis of information and documents furnished along with the application, reserve the name for a period of twenty days from the date of approval or such other period as may be prescribed: Provided that in case of an application for reservation of name or for change of its name by an existing company, the Registrar may reserve the name for a period of sixty days from the date of approval."'	4
8.	Page 4, for line 18, substitute— "(ii) clauses (a), (b) and (d) shall be omitted."	8

Sl. No.	Name of the Member and text of Amendment	Clause No.
9.	Page 7, for lines 5 to 7, substitute— '17. In section 76A of the principal Act,— (a) in clause (a), for the words, "one crore rupees", the words "one crore rupees or twice the amount of deposit accepted by the company, whichever is lower" shall be substituted; (b) in clause (b),— (i) for the words "seven years or with fine", the words "seven years and with fine" shall be substituted; (ii) the words "or with both" shall be omitted.'	17
10.	Page 7, for lines 23 and 24, substitute— '21. In section 89 of the principal Act,— (i) in sub-section (6), the words and figures, "within the time specified under section 403" shall be omitted; (ii) in sub-section (7), for the words and figures, "under the first proviso to sub-section (1) of section 403", the word "therein", shall be substituted; (iii) after sub-section (9), the following sub-section shall be inserted, namely:—'	21
11.	Page 9, lines 9 and 10, for "One Person Company and small company", substitute "One Person Company, small company and such other class or classes of companies as may be prescribed."	23
12.	Page 9, after line 14, insert— (iii) in sub-section (4), the words and figures, "within the time as specified, under section 403" shall be omitted; (iv) in sub-section (5), for the words and figures, "under section 403 with additional fees", the word "therein" shall be substituted.'	23
13.	Page 9, lines 42 and 43, for "not less than ninety-five per cent.", substitute "majority in number of members entitled to vote and who represent not less than ninety-five per cent".	28
14.	Page 10, after line 11, insert— (i) in sub-section (1), the words and figures "within the time specified under section 403" shall be omitted;'	30
15.	Page 10, for line 12, substitute— (ii) in sub-section (2),— (a) for the words and figures "under section 403 with additional fees", the word "therein" shall be substituted;'	30
16.	Page 10, line 13, for "(a)", substitute "(b)".	30
17.	Page 10, line 15, for "(b)", substitute "(c)".	30
18.	Page 10, line 17, for "(ii)", substitute "(iii)".	30

Sl. No.	Name of the Member and text of Amendment	Clause No.
19.	Page 10, after line 25, insert—	30A (New)
	'30A. In section 121 of the principal Act,— (i) in sub-section (2), the words and figures "within the time as specified, under section 403" shall be omitted; (ii) in sub-section (3), for the words and figures "under section 403 with additional fees", the word "therein" shall be substituted.'	Amendment of section 121.
20.	Page 10, for lines 26 and 27, substitute—	31
	'31. In section 123 of the principal Act,— (a) in sub-section (1),— (i) in clause (a),— (A) for the words "both; or", the word " both:" shall be substituted; (B) the following proviso shall be inserted, namely:— "Provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded; or"; (ii) in the second proviso, for the words "transferred by the company to the reserves", the words "transferred by the company to the free reserves" shall be substituted; (b) for sub-section (3), the following sub-section shall be substituted, namely:—'	
21.	Page 10, line 50, after "subsidiary or subsidiaries", insert "and associate company or companies".	32
22.	Page 11, for lines 15 to 17, substitute—	34
	'34. In section 132 of the principal Act,— (i) in sub-section (4), in clause (c), in sub-clause (A), in item (II), for the words "ten lakh rupees", the words "five lakh rupees" shall be substituted; (ii) in sub-section (5), for the words, brackets and figure "the Appellate Authority constituted under sub-section (6) in such manner as may be prescribed", the words "the Appellate Tribunal in such manner and on payment of such fee as may be prescribed" shall be substituted; (iii) sub-sections (6), (7), (8) and (9) shall be omitted.'	
23.	Page 12, lines 25 and 26, for "agreed by ninety-five per cent. of the members entitled to vote at the meeting", substitute—	37
	"agreed by members— (a) holding, if the company has a share capital, majority in number entitled to vote and who represent not less than ninety-five per	

Sl. No.	Name of the Member and text of Amendment	Clause No.
	cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting; or (b) having, if the company has no share capital, not less than ninety-five per cent. of the total voting power exercisable at the meeting."	
24.	Page 13, for lines 6 and 7, substitute— '38. In section 137 of the principal Act,— (i) in sub-section (1),— (a) the words and figures "within the time specified under section 403" shall be omitted; (b) in the second proviso, the words and figures "within the time specified under section 403" shall be omitted; (c) after the fourth proviso, the following proviso shall be inserted, namely:—'	38
25.	Page 13, line 12, omit "listed".	38
26.	Page 13, after line 15, insert— (ii) in sub-section (2), the words and figures "within the time specified, under section 403" shall be omitted; (iii) in sub-section (3), for the words and figures "in section 403", the word "therein" shall be substituted.'	38
27.	Page 13, for lines 21 to 27, insert— "41. In section 141 of the principal Act, in sub-section (3), for clause (i), the following clause shall be substituted, namely:—"	41
28.	Page 15, after line 21, insert— '47A. In section 157 of the principal Act,— (i) in sub-section (1), the words and figures, "within the time specified under section 403" shall be omitted; (ii) in sub-section (2), the words and figures, "before the expiry of the period specified under section 403 with additional fee", shall be omitted.'	47A (New) Amendment of section 157.
29.	Page 15, line 27, after "178", insert, "or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee."	48
30.	Page 18, for lines 29 to 36, substitute— "(4) If any loan is advanced or a guarantee or security is given or provided or utilised in contravention of the provisions of this section,— (i) the company shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees; (ii) every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to	59

Sl. No.	Name of the Member and text of Amendment	Clause No.
	<p>six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees; and</p> <p>(iii) the director or the other person to whom any loan is advanced or guarantee or security is given or provided in connection with any loan taken by him or the other person, shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees, or with both."</p>	
31.	Page 18, omit line 38.	60
32.	Page 19, for lines 43 and 44, substitute—	64
	<p>'64. In section 196 of the principal Act,—</p> <p>(a) in sub-section (3), in clause (a), after the proviso, the following proviso shall be inserted, namely:—</p> <p>"Provided further that where no such special resolution is passed but votes cast in favour of the motion exceed the votes, if any, cast against the motion and the Central Government is satisfied, on an application made by the Board, that such appointment is most beneficial to the company, the appointment of the person who has attained the age of seventy years may be made.";</p> <p>(b) in sub-section (4), for the words "specified in that Schedule", the words "specified in Part I of that Schedule" shall be substituted.'</p>	
33.	Page 20, for lines 5 to 7, substitute—	65
	"Provided also that, where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor,"	
34.	Page 20, line 18, for "of", substitute "or".	65
35.	Page 20, for lines 25 to 27, substitute—	65
	"Provided that where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the"	
36.	Page 20, for lines 47 to 49, substitute—	66
	<p>(i) in sub-section (3),—</p> <p>(a) in clause (a), after the words "sold by the company", the words and figures "unless the company is an investment company as referred to in clause (a) of the Explanation to section 186" shall be inserted:</p> <p>(b) after clause (e) the following clause shall be inserted, namely:—</p> <p>"(f) any amount representing unrealised gains, notional gains or revaluation of assets."'</p>	
37.	Page 21, after line 30, insert—	47A (New)
	'73A. In section 374 of the principal Act, after clause (d), the following proviso shall be inserted, namely:—	Amendment of section 374.

Sl. No.	Name of the Member and text of Amendment	Clause No.
38.	Page 21, <i>after</i> line 41, <i>insert</i> —	75A (New)
	'75A. In section 391 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—	Amendment of section 391.
	"(2) Subject to the provisions of section 376, the provisions of Chapter XX shall apply mutatis mutandis for closure of the place of business of a foreign company in India as if it were a company incorporated in India in case such foreign company has raised monies through offer or issue of securities under this Chapter which have not been repaid or redeemed.".	
39.	Page 21, <i>for</i> lines 43 to 49 <i>substitute</i> —	76
	(i) in sub-section (1), for the first and second provisos, the following provisos shall be substituted, namely:—	
	"Provided that where any document, fact or information required to be submitted, filed, registered or recorded, as the case may be, under section 92 or 137 is not submitted, filed, registered or recorded, as the case may be, within the period provided in those sections, without prejudice to any other legal action or liability under this Act, it may be submitted, filed, registered or recorded, as the case may be, after expiry of the period so provided in those sections, on payment of such additional fee as may be prescribed, which shall not be less than one hundred rupees per day and different amounts may be prescribed for different classes of companies:	
	Provided further that where the document, fact or information, as the case may be, in cases other than referred to in the first proviso, is not submitted, filed, registered or recorded, as the case may be, within the period provided in the relevant section, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded as the case may be, on payment of such additional fee as may be prescribed and different fees may be prescribed for different classes of companies:	
	Provided also that where there is default on two or more occasions in submitting, filing, registering or recording of the document, fact or information, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded, as the case may be, on payment of a higher additional fee, as may be prescribed and which shall not be lesser than twice the additional fee provided under the first or the second proviso as applicable.";	

Sl. No.	Name of the Member and text of Amendment	Clause No.
	(ii) for sub-section (2), the following sub-section shall be substituted, namely:— "(2) Where a company fails or commits any default to submit, file, register or record any document, fact or information under sub-section (1) before the expiry of the period specified in the relevant section, the company and the officers of the company who are in default, shall, without prejudice to the liability for the payment of fee and additional fee, be liable for the penalty or punishment provided under this Act for such failure or default.".	
40.	Page 22, omit lines 1 to 20.	76
41.	Page 22, after line 51, insert— '78A. In section 410 of the principal Act, for the words, "orders of the Tribunal", the words, "orders of the Tribunal or of the National Financial Reporting Authority" shall be substituted.'	78A (New) Amendment of section 410.
42.	Page 24, after line 22, insert— "88. In section 458 of the principal Act, in sub-section (1), the proviso shall be omitted."	88 (New) Amendment of section 458.

NEW DELHI;
April 5, 2017
Chaitra 15, 1939 (Saka)

ANOOP MISHRA
Secretary General

LOK SABHA

CORRIGENDUM

TO THE LIST NO.1 OF THE NOTICE OF AMENDMENTS TO
THE COMPANIES (AMENDMENT) BILL, 2016

[As introduced in Lok Sabha]

(Circulated to members on 6.4.2017)

In list No. 1 of amendments, Page 5, against amendment No. 37, -

for "47A (New)"

read "73A (New)"

NEW DELHI;

April 7, 2017

Chaitra 17, 1939 (Saka)

LOK SABHA

CORRIGENDUM

TO THE LIST NO.2 OF THE NOTICE OF MOTIONS TO
THE COMPANIES (AMENDMENT) BILL, 2016

[As introduced in Lok Sabha]

(Circulated to members on 6.4.2017)

1. In list No. 2 of motions, Page 1, against motion No. 48, -

for "88A (New)"

read "88 (New)"

NEW DELHI;

April 7, 2017
Chaitra 17, 1939 (Saka)