

Companies (Removal of Difficulties) Order, 2018

Order of insertion of a new proviso in 169(1) by MCA on 21st Feb., 2018.

Fresh look of Section 169(1) after insertion of aforesaid proviso -

- (1) A company may, by ordinary resolution, remove a director, not being a director appointed by the Tribunal under section 242, before the expiry of the period of his office after giving him a reasonable opportunity of being heard:

Provided that an independent director re-appointed for second term under sub-section (10) of section 149 shall be removed by the company only by passing a special resolution and after giving him a reasonable opportunity of being heard.

Provided further that nothing contained in this sub-section shall apply where the company has availed itself of the option given to it under section 163 to appoint not less than two thirds of the total number of directors according to the principle of proportional representation.

Disclaimer:

*Although due care has been taken while preparing the contents of this document and are as per the authentic information available up to the date of preparation of this document. Information contained in this document is **NOT AN ADVICE IN NATURE** & User of the information contained in this document are expected to refer the relevant provision of the applicable laws. therefore, we assume no responsibility arising out of any use of such information and shall not be liable for any direct, indirect, incidental or consequential damages arising out of any use of this document*