Corrigendum: Study Material and Supplementary Study Paper of Corporate and Allied Laws-Final Course

Students may note that since section 161(2) of the Companies Act, 2013 pertaining to appointment of alternate director was not notified on 12th September, 2013, it is not applicable for November, 2014 examinations. So, they are advised to ignore reference to section 161(2) as contained in the following publications for said examinations and instead refer section 313 of the Companies Act, 1956:

Publication	Page No.
Study Material (January 2014 edition)	3.8
Supplementary Study Paper (June 2014 edition)	22

Section 313 of the Companies Act, 1956 i.e. Appointment and term of office of alternate directors reads as follows:

(1) The Board of Directors of a company may, if so authorised by its articles or by a resolution passed by the company in general meeting, appoint an alternate director to act for a director (hereinafter in this section called "the original director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held.

(2) An alternate director appointed under sub-section (1) shall not hold office as such for a period longer than that permissible to the original director in whose place he has been appointed and shall vacate office if and when the original director returns to the state in which meetings of the Board are ordinarily held.

(3) If the term of office of the original director is determined before he so returns to the State aforesaid, any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original, and not to the alternate director.