

COMPANIES ACT,2013

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**OPPRESSION
AND
MIS-MANAGEMENT**

OPPRESSION & MIS-MANAGEMENT

Eligibility:-

- ❑ By Members of Shareholders [Section 241(1)]
 - ❑ Not < 100 members or not < 1/10th of total number of members (whichever is less)
 - ❑ Not < 1/10th of total issued share capital on which applicant has paid all calls.
 - ❑ If not having share capital not < 1/5th of total number of members
 - ❑ Tribunal may waive all or any of the condition
 - ❑ Shares held in joint name shall be counted only one member
- ❑ By Central Government [Section 241(2)]
 - ❑ If has opinion that affairs of company are being conducted in the manner prejudicial in the interest of company

Power of Tribunal [Section 242 (402, 403, 404)] :

- ❑ If opinion that affairs of the company are being conducted in a manner prejudicial or oppressive to any member or prejudicial to public interest and
- ❑ Winding up Unfairly prejudice such member
- ❑ Tribunal may pass following orders :-
 - ❑ Regulation of conduct of affairs of company in future
 - ❑ Purchase of shares of one member by other members
 - ❑ If purchase of shares by company then reduction of capital
 - ❑ Restriction on allotments or transfer of shares.

Power of Tribunal [Section 242 (402, 403, 404)] cont....:

- ❑ Termination, setting aside or modification of any agreement between company and MD or Director or company or any other person (opportunity to parties be given).
- ❑ Setting aside of any transfer, delivery of goods, payment, execution or other act relating to property within 3 months before the date of application.
- ❑ Removal of MD / Director / Managers.
- ❑ Recovery of undue gain made by MD / Director/Manager
- ❑ Utilisation of such recovery including for investor education and projection fund or to identifiable victim.
- ❑ Manner in which MD / Director/Manager be appointed after order for removing existing MD / Director/Manager.
- ❑ Appointment of such member of persons as Director who shall report to Tribunal .
- ❑ Imposition of cost.



THANK YOU