

Companies Act, 1956

Section 259 - Increase in Number of Directors to Require government Sanction

In the case of a public company or a private company which is a subsidiary of a public company, any increase in the number of its directors, except-

(a) in the case of a company which was in existence on the 21st day of July, 1951, an increase which was within the permissible maximum under its articles as in force on that date, and

(b) in the case of a company which came or may come into existence after that date, an increase which is within the permissible maximum under its articles as first registered,

shall not have any effect unless approved by the Central Government; and shall become void if, and insofar as, it is disapproved by that Government:

1[Provided that where such permissible maximum is twelve or less than twelve, no approval of the Central Government shall be required if the increase in the number of its directors does not make the total number of its directors more than twelve.]

1. Added by Act 31 of 1965, Section 31 (w.e.f. 15-10-1965).
