

COMPLIANCES TO BE TAKEN CARE OF BY PRIVATE COMPANY

❖ MEANING OF PRIVATE COMPANY

As per **Section 2(68)** "Private Company" means a company having a minimum paid-up share capital of **ONE LAKH** rupees or such higher paid-up share capital as may be prescribed, and which by its articles,—

- (i) Restricts the right to Transfer its Shares;
- (ii) Limits the Number of its Members to **200**; and
- (iii) Prohibits any Invitation to the Public to Subscribe for any SECURITIES of the Company;



NOTE: - 1. Joint holders shall be counted as one.

2. (A) Employees holding shares; and

(B) Person formerly in employment were, who members during such employment and still Continue to be the members shall not be counted in the limit of 200.

NOTE: Require to Alter Article of Association of Private companies. **Alterations:**

1. Increase limit of Maximum number of members to 200.

2. Remove clause 'Prohibit any invitation or acceptance of deposit from person other than its Member, Director and Relatives.

❖ FINANCIAL YEAR

As per **Section 2(41)**, now financial year of a Company can only be of **APRIL to MARCH** and

Exception: only a Company or body corporate, which is a holding company or a subsidiary of a company incorporated outside India and is required to follow a different financial year for consolidation of its accounts outside India, may have different financial year subject to approval of Tribunal.

NOTE: Transitional Phase: - A transitional period of 2 years is allowed for compliance with this Requirement.

❖ CIN to be Mentioned on Printed Stationery of the Company (Section 12(3)(c):

Every Company shall get its Name, Address of registered office and the Corporate Identity Number (CIN) along with telephone number, fax number, if any, e-mail and website etc., printed on all its business letters heads, billheads, invoices, letter papers and in all its notices and other official publications.

PENALTY: - Company and officer in default shall be liable to a penalty off Rs. 1000/- per day not exceeding Rs. 1,00,000/-.

IMMEDIATE ACTIONS TO BE TAKEN:-

You need to get fresh Letterheads, bills and other papers printed in accordance with the above provisions.



❖ **DEPOSITS(Section 73-76)**

Now a Private Company **cannot** Accept Deposits from Relatives of Directors, Shareholders as was allowed under Companies Act, 1956 unless Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposit) Rules, 2014 are complied with.

As per Section 74(1)(a) and Companies (Acceptance of Deposit) Rules, 2014 every company who has accepted deposit before commencement of Companies Act, 2013 has to file a return in Form DPT-4 within 3 months from commencement of Companies Act, 2013 and further it has to be repaid within 1 year from commencement of this Act.

PENALTY:- Company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to Rs. 10,000/- and where the contravention is continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

IMMEDIATE ACTIONS TO BE TAKEN:-

NOTE 1. If company Accepted Any Deposit Under Previous Act:

- Require to file form DPT-4 till 30th June, with the registrar a statement of all the deposit accept by the company, and amount which remain unpaid along with amount of interest.
 - Such amount is to be repaid before 31st March, 2014 or on the date when such payment is due whichever is earlier. (If not able to repay then make application to Tribunal, now power delegated to CLB).
2. Amount which is received from director of the company shall be not be considered as deposit only if:
The director from whom money is received, furnishes to the company at the time of giving the money, a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others.
 3. Passing of Ordinary Resolution if accept from members But is accepting deposits from public Special Resolution require.
 4. **Deposits From the Members:** shall not exceed 25% per cent of the aggregate of the paid up share capital and free reserves of the company. The amount of 25% limit is to be computed considering such deposit together with the amount of deposits outstanding as on the date of acceptance or renewal of such deposits.

5. PROCEDURE FOR ACCEPTANCE OF DEPOSIT IS ATTACHED BELOW.

❖ ALLOTMENT OF SECURITIES (Section 42, 62)

Now a Private Company has to offer share to its existing shareholders before allotting shares to outsiders. Further if the company wants to allot shares directly to persons other than its existing shareholders then it has to pass a Special Resolution and has to comply with the provisions of Private Placement (Section 42), according to which various compliances are to be some of them are listed below:-



- Giving offer letter
- Maintenance of records pertaining to offer letter
- Filing of offer letter to ROC in case of issue through private placement in form PAS-4
- Minimum investment to be made by a person is 20,000/-
- Justification of price including premium, in the explanatory statement of Special Resolution.
- Return of allotment to be filed in form PAS-3.
- In case Company is not able to allot securities within 60 days of receipt of application money, it shall be repaid within 15 days from the date of completion of 60 days otherwise pay 12% interest per annum.

NOTE: if the securities for which application money or advance for such securities was received **cannot be allotted within sixty days** from the date of receipt of the application money or advance for such securities and such application money or advance is **not refunded to the subscribers within fifteen days from the date of completion of sixty days**, such amount **shall be treated as a deposit** under these rules

PENALTY: - If the company makes violation of section 42, i.e. in making private placement then the company, promoters and directors shall be liable to a penalty which may extend to amount of Offer or Rs. 2 Crore whichever is higher. Further the company shall return the money within 30 days of order imposing the penalty.

IMMEDIATE ACTIONS TO BE TAKEN:-

If Company wants to allot shares to persons other than shareholders do let us know in advance so that we can assist you in the documentation, formalities and procedural aspects.

FOR PROCEDURE OF PRIVATE PLACEMENT ATTACHED BELOW MAIL ME ON
csdiveshgoyal@gmail.com

- Net worth of Rs. 500 crore or more, or
- Turnover of Rs. 1000 crore or more, or
- Net profit of Rs. 5 crore or more

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IMMEDIATE ACTIONS TO BE TAKEN:-

❖ **CERTIFICATE OF COMMENCEMENT OF BUSINESS(Section 11)**

Now, **Every Company** has to file a declaration through any of its director that minimum paid up capital as prescribed is maintained by the company and the subscribers have brought in their subscription amount as agreed before commencement of any business activity or exercising any borrowing power by the company. Such declaration has to be filed with Registrar of companies **within 180 days from date of Incorporation in e-form INC-21.**

PENALTY: - Company shall be liable to a penalty which may extend upto Rs. 5000 and every Officer in default shall be liable to a penalty of Rs. 1000/- per day. Further ROC may initiate actions for striking off the Company also.

❖ **MEETINGS OF BOARD OF DIRECTORS (Section 173)**

Frequency of Meeting:

- **First Meeting:** First Meeting of Board of Directors within 30 (Thirty) days from the date of Incorporation of company.
- **Subsequent Meetings:**
 - **One person Company, Small company and Dormant company:**
 - At least one meeting of Board of directors in each half of calendar year
 - Minimum Gap B/W two meetings at least 90 days.
 - **Other than Companies mentioned above:**
 - Minimum No. of 4 meetings of Board of Director in a calendar year
 - Maximum Gap B/W two meetings should not be more the 120 days.



Calling of Meeting: Meeting of Board of Director should be called by giving 7 days notice to Directors at his registered address **through:**

- By hand delivery
- By post
- By Electronic means
- **Meeting at shorter Notice:** A meeting of Board of Directors can be called by shorter notice subject to the conditions:
 - **If the company is require to have independent director:**
 - Presence of at least one Independent director is required.
 - In case of absence, decision taken at such meeting shall be circulated to all the directors, and
 - shall be final only on ratification thereof by at least one Independent Director

If the company doesn't require to have independent director: The meeting can be called at a shorter notice without any conditions to be complied with

PENALTY: - Company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to Rs. 10,000/- and where the contravention is continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

IMMEDIATE ACTIONS TO BE TAKEN:-

Notice of every Board Meeting is to be prepared and to be given to every Director at least 7 days before the meeting.

❖ **Maximum Number of Directorships (Section 165)**

As per Section 165 **NO Person**, after the commencement of this Act, shall hold office as a director, including any alternate directorship, in **more than 20 companies** at the same time. Further provided that a person can become Director in **maximum 10 Public Companies**.

*For this purpose, Private companies who are either holding or subsidiary of Public company shall be taken as public company. A company may by passing special resolution at its general meeting reduce the limit of directorships of its directors.

NOTE: Transitional Phase: - A transitional period of 1 year is allowed for compliance with this requirement.

PENALTY: - Person contravening the aforesaid provisions shall be liable to a minimum fine of Rs. 5000/- which may extend up to Rs. 10,000/- per day.

IMMEDIATE ACTIONS TO BE TAKEN:-

It should be checked whether any person has Directorships more than aforesaid, then he should comply with this provision before 31st March, 2015 to avoid penalty.

❖ Company to have Board of Directors (Section 149)

Every company must have at least one director who has stayed in India for a minimum period of 182 days during the previous calendar year.

❖ Resignation of Director (Section 168)

Now, apart from the company, Director also has to file a form (DIR-11) with ROC intimating his resignation indicating reasons therefore, attaching the notice of resignation along with proof of dispatch.

PENALTY: - Company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to Rs. 10,000/- and where the contravention is continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

IMMEDIATE ACTIONS TO BE TAKEN:-

Whenever, a person resigns from the Board he shall inform the professional so that necessary formalities like obtaining digital signature and filing of form with MCA could be done.

DIN to be mentioned with Director's Signature (Section 158)

Now, Director's name & DIN (Director Identification Number) has to be mentioned with their signature on all the documents to be signed in the capacity of director.

PENALTY: - Company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to Rs. 10,000/- and where the contravention is continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

IMMEDIATE ACTIONS TO BE TAKEN:-

One should ensure that DIN is written, wherever he is signing as Director of the Company.

❖ **Restriction on Non-Cash Transaction Involving Directors (Section 192)**

No Company shall enter into an arrangement with Director, Director of Holding, Subsidiary or Associate Company or with a person connected with him by which:-

he acquires from company any assets for consideration other than cash or vice-versa.

However, such arrangement can be made if approved by the company in general meeting by way of **prior ordinary resolution**.

PENALTY: - Company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to Rs. 10,000/- and where the contravention is continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

❖ **Section 188: RELATED PARTY TRANSACTIONS**

Except with the consent of Board of Directors given by a resolution and in certain cases prior approval by way of special resolution, no company shall enter into any contract or arrangement with a related party with respect to following transactions:



- (a) Sale, purchase or supply of any goods or materials;
- (b) Selling or otherwise disposing of, or buying, property of any kind;
- (c) Leasing of property of any kind;
- (d) Availing or rendering of any services;
- (e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) Underwriting the subscription of any securities or derivatives thereof, of the company.

NOTE: If paid up share capital of company is 10 crore or More then Company require Shareholders Approval in General Meeting by passing of Special Resolution.

MEANING OF RELATED PARTY:

“Related party as per Section 2(76)”, with reference to a company, means—

- i. a director or his relative;
- ii. a key managerial personnel or his relative;
- iii. a firm, in which a director, manager or his relative is a partner;
- iv. a private company in which a director or manager is a member or director;
- v. a public company in which a director or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
- vi. any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;

- vii. any person on whose advice, directions or instructions a director or manager is accustomed to act:
Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;
- viii. any company which is—
 - a. a holding, subsidiary or an associate company of such company; or
 - b. a subsidiary of a holding company to which it is also a subsidiary;
- ix. such other person as may be prescribed;

PENALTY: Any Director or any other employee of the company who has entered into or authorized the contract or arrangement in violation of provisions of this section shall be punishable with minimum fine of Rs. 25,000/- which may extend up to Rs. 5,00,000/-.

SECTION 184- DISCLOSURE OF INTEREST

Every director shall at first meeting of Board in which he participates and thereafter every first meeting of board shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals, by giving a notice in writing in **Form MBP 1**.

Every director of a company who is in any way whether directly, or indirectly concerned or interested in contract

- With body corporate in which such director or such director in association with any other director holds more than 2% shareholding of that body corporate, or is a promoter, manager, CEO of that body corporate or
- With a firm or other entity in which, such director is a partner, owner or member.



Shall disclose the nature of his concern or interest at the BM in which the contract or arrangement is discussed and shall not participate in such meeting.

PENALTY:

If a director contravenes the provisions of this section he shall be punishable with imprisonment for a term which may extend to 1 year or with fine min Rs. 50,000-Rs. 1, 00,000.

IMMEDIATE ACTIONS TO BE TAKEN:-

One should inform the Company his interest or concern in every first meeting of Board and at the Board meeting held after when there is change in interest or concern.

GENERAL:

- All notices shall be kept at the registered office and such notices shall be preserved for a **period of eight years** from the end of the financial year to which it relates and shall be kept in the custody of the company secretary of the company or any other person authorized by the Board for the purpose.
- According to **Section 179 (3) (k)**, the Board of Directors of a company shall exercise the power to take note of the disclosure of director's interest and shareholding.
- According to **Section 117(3) (g)** of the Act resolutions passed in the sub section (3) of section 179 shall be filed with Registrar within 30 days of passing the resolution in **Form MGT -14**.

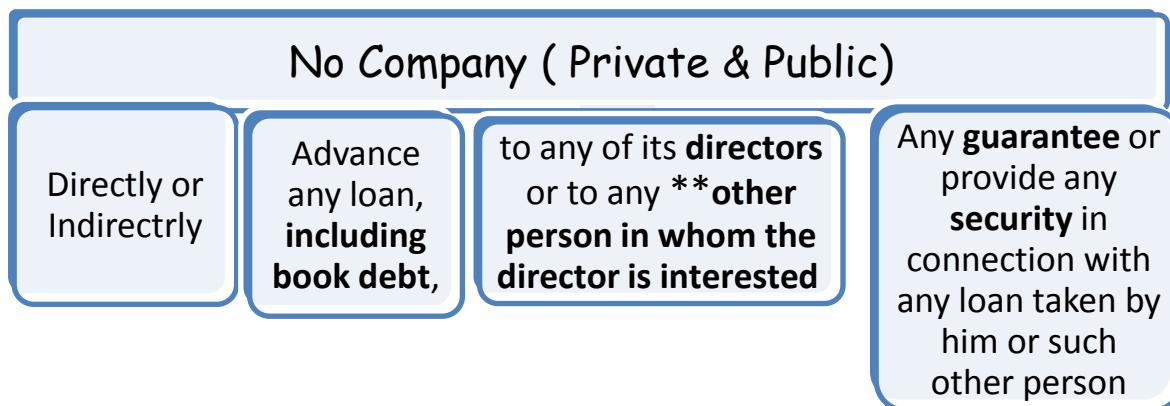
Thus it is necessary for all the companies to obtain declaration in **Form MBP 1** from all its directors and has to file the same with MCA in **form MGT 14 within 30 days** of the first Board Meeting in the financial year.

SECTION 185: LOAN TO directors

APPLICABILITY:

- *This section now applies to all companies including private companies also.*

- **Save as otherwise provided in this Act*



Provided that nothing contained in this sub-section shall apply to—

- (a) The giving of any loan to a managing or whole-time director—
 - (i) As a part of the conditions of service extended by the company to all its employees; or
 - (ii) Pursuant to any scheme approved by the members by a special resolution; or
- (b) A company which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the bank rate declared by the Reserve Bank of India.

Explanation.—For the purposes of this section, the expression “to any other person in whom director is interested” means—

- (a) Any director of the lending company, or of a company which is its holding company or any partner or relative of any such director;
- (b) Any firm in which any such director or relative is a partner;
- (c) Any private company of which any such director is a director or member;
- (d) Any body corporate at a general meeting of which not less than twentyfive per cent. of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together; or
- (e) Any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company.



PENALTY :

In case of contravention, 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, and 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.

FOR ARTICLE ON SECTION 185 MAIL ME ON csdiveshgoyal@gmail.com



SECTION 186: LOANS AND INVESTMENT BY COMPANY

APPROVAL: No Company Shall Directly or Indirectly without Board Resolution



Give any **LOAN** to

Give any **GURANTEE** & provide **SECURITY** to

Acquire by way of Subscription, Purchase & otherwise, the **Securities** to

Any **Person** or **Body Corporate**

Board Approval: Company can give loan or guarantee or providing any security or the acquisition **by Passing of Unanimous Board Resolution** at the meeting of Board of Directors, when limit does not exceed:

60% of Paid up share capital + Free Reserve + Security Premium Account

OR

- 100% of Free Reserve + Security Premium Account, Whichever is more.

General Meeting Approval: Where any Loan & Guarantee or providing any security or the acquisition exceeds the limit mention above then prior approval of Shareholder by passing of **Special Resolution** requires.

Public Financial Institution Approval: Prior Approval of **Concerned** Public Financial Institution is Require if term loans subsisting is (Aggregate of L, I, G & S already made along with L, I, G & S proposed to be made) exceed the limit mention above.

Provided that, No approval of PFI is required if there is no default made by company on repayment of loan installment or payment of interest there on as per T&C of such loan to the Public Financial Institution.



PENALTY:

If a company contravenes the provisions of this section, the company shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to two years and with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees.

FOR ARTICLE ON SECTION 186 MAIL ME ON
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SECTION 117: RESOLUTIONS AND AGREEMENTS TO BE FILED WITH ROC

A copy of every resolution or any agreement, in respect of matters specified in sub section (3) together with the explanatory statement under section 102, if any, annexed to the notice calling the meeting in which the resolution is proposed, shall be filed with the Registrar within thirty days of the passing or making thereof in **Form MGT-14:**

The provisions of this section shall apply to—

- (a) Special resolutions;
- (b) Resolutions which have been agreed to by all the members of a company, but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
- (c) any resolution of the Board of Directors of a company or agreement executed by a company, relating to the appointment, re-appointment or renewal of the appointment, or variation of the terms of appointment, of a managing director;
- (d) resolutions or agreements which have been agreed to by any class of members but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by a specified majority or otherwise in some particular manner; and all resolutions or agreements which effectively bind such class of members though not agreed to by all those members;

- (e) resolutions passed by a company according consent to the exercise by its Board of Directors of any of the powers under clause (a) and clause (c) of sub-section (1) of section 180;
- (f) Resolutions requiring a company to be wound up voluntarily passed in pursuance of section 304;
- (g) Resolutions passed in pursuance of sub-section (3) of section 179; an
- (h) Any other resolution or agreement as may be prescribed and placed in the public domain.

PENALTY:

If a company fails to file the resolution or the agreement under sub-section (1) before the expiry of the period specified under section 403 with additional fee, 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 and every officer of the company who is in default, including liquidator of the company, if any, shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

SECTION 179(3): POWER EXERCISABLE BY BOARD:

- The Board of Directors of a company shall be entitled to exercise all such powers, and to do all such acts and things, as the company is authorized to exercise and do. In exercising such power or doing such act or thing, the Board shall be subject to the provisions of this Act, or the memorandum or articles, or regulations made by the company in general meeting:
- **POWERS TO BE EXERCISED ONLY AT BOARD MEETING:**
 - **UNDER THE ACT:**
 - Make calls on shareholders in respect of money unpaid on their shares;
 - Authorize buy-back of securities under section 68;
 - Issue securities, including debentures, whether in or outside India;
 - Borrow monies;
 - Invest the funds of the company;
 - grant loans or give guarantee or provide security in respect of loans;
 - Approve financial statement and the Board's report;
 - Diversify the business of the company;
 - Approve amalgamation, merger or reconstruction;
 - Take over a company or acquire a controlling or substantial stake in another company;
 - **UNDER RULES:**
 - Make political contributions;
 - Appoint or remove key managerial personnel (KMP);
 - Take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
 - Appoint Internal auditors and secretarial auditor;
 - Take note of the disclosure of director's interest and shareholding;
 - Buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;

- Invite or accept or renew public deposits and related matters;
- Review or change the terms and conditions of public deposit;
- Approve quarterly, half yearly and annual financial statements or financial results as the case may be.

NOTE:

1. The power to invest, borrow and grant loan / guarantee / security can be exercised by a committee duly authorize by the board.
2. The resolution in pursuance of powers of the board mentioned above shall be filed with the registrar in form MGT-14 within 30 days of passing such resolution.

SECTION 128(1): BOOKS OF ACCOUNT, ETC., TO BE KEPT BY COMPANY

Every company shall prepare and keep at its registered office books of account and other relevant books and papers and financial statement for every financial year, including that of its branch office or offices, if any, and such books shall be kept on accrual basis and according to the double entry system of accounting.

Provided that all or any of the books of account aforesaid may be kept at such other place in India as **Board of Directors may decide** and where such a decision is taken, the company shall, **within 7 days** thereof, file with the Registrar a notice in writing giving the full address of that other place.



Provided further that the company may keep such books of account or other relevant papers in electronic mode in such manner as may be prescribed.

As per Sec 128(5), books of account of every company relating to a period of atleast **eight financial years immediately preceding a financial year**, or where the company had been in existence for a period less than eight years, in respect of all the preceding years together with the vouchers relevant to any entry in such books of account shall be kept in good order.

PENALTY:

If the managing director, the whole-time director in charge of finance, the Chief Financial Officer or any other person of a company charged by the Board with the duty of complying with the provisions of this section, contravenes such provisions, such person shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees or with both.

MISC. PENALTIES:

SECTION 447: Every person found guilty of fraud shall be punishable with minimum 6 months and maximum 10 years imprisonment which may extend to ten years and shall also be liable to minimum fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.



SECTION 448: Every person making a false statement shall also be liable under Section 447.

SECTION 450: PENALTY WHERE NO SPECIFIC PENALTY IS PROVIDED

Where no specific penalty is provided in law for any default, the company and every officer of the company who is in default or such other person shall be punishable with fine which may extend to Rs. 10,000/- and where the contravention is continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

SECTION 451: PENALTY IN CASE OF REPEATED DEFAULTS

If a company or an officer of a company commits an offence punishable either with fine or with imprisonment and where the same offence is committed for the second or subsequent occasions within a period of three years, then, that company and every officer thereof who is in default shall be punishable with twice the amount of fine for such offence in addition to any imprisonment provided for that offence.



WORK TO BE DONE NOW

1. Require to Alter Article of Association of Private companies.

Alterations:

- Increase limit of Maximum number of members to 200.
- Remove clause 'Prohibit any invitation or acceptance of deposit from person other than its Member, director and relatives.



2. Require to Pass Board Resolution to fix Financial Year of Company from April to March, If Financial year is different
3. Get fresh Letterheads, bills and other papers printed in By mention Name, Address of registered office and the Corporate Identity Number (CIN) along with telephone number, fax number, if any, e-mail and website etc.
4. Private Company can't accept deposits from other then its members and directors.

(If company accepting deposit from director then, the director from whom money is received, **furnishes** to the company at the time of giving the money, **a declaration in writing to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others**)

5. If company accepted any deposit under previous act:
 - Require to file form DPT-4 till 30th June, with the registrar a statement of all the deposit accept by the company, and amount which remain unpaid along with amount of interest.
 - Such amount is to be repaid before 31st March, 2014 or on the date when such payment is due whichever is earlier. (If not able to repay then make application to Tribunal, now power delegated to CLB).
 - Require to file form DPT-3 till 30th June, with the Registrar, A return of Deposits.
6. Now companies have to create charge on vehicle loan also.
7. Now company if going to allot shares to existing share holders require to issue offer letter and follow the procedure mention in section 62.

8. If company falls in any of the criteria mention in section 135 then CSR committee is to be established and such Committee shall recommend to the Board a CSR policy and the amount of expenditure to be incurred on the activities.
9. Require to give 7 days' notice to call Board Meeting.
10. If any person is director in more than 20 companies then he have to give resignation from the companies above 20 till 31st march, 2015.
11. Every company must have at least one director who has stayed in India for a minimum period of 182 days during the previous calendar year.
12. Whenever, a person resigns from the Board he shall inform the ROC in form DIR-11.
13. Mention the DIN of Director on every document where signature is done by director.
14. Every director shall at first meeting of Board in which he participates and thereafter every first meeting of board shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals, by giving a notice in writing in **Form MBP 1**.
15. Thus it is necessary for all the companies to obtain declaration in **Form MBP 1** from all its directors and has to file the same with MCA in **form MGT 14** **within 30 days** of the first Board Meeting in the financial year



Regards,
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