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Useful Corporate Board Resolutions under Companies Act, 2013

Dear Professional Colleagues,

Please find below a useful corporate article containing some useful sample board resolutions required under Companies Act, 2013, dedicated to professional fraternity looking after corporate affairs of their Company/Firms. I believe that this article is very handy for professionals keeping in view the requirements of Companies Act, 2013. You may bookmark this article for quick reference.

Please find below some of the relevant resolutions to be passed under Companies Act, 2013 for different purposes:

1) Resolution for taking note of Disclosure of Interest by Directors u/s 184

“RESOLVED THAT pursuant to Section 184 (1) of the Companies Act, 2013 read with Rule 9 (1) of the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions of Companies Act, 2013, the general notice of disclosure of interest or concern in Form **MBP.1** received from Mr., Mr., Mr., Directors of the company, as placed before the meeting, be and are hereby noted and taken on record by the Board.

RESOLVED FURTHER THAT Mr. Mukesh Gupta, Managing Director of the Company, be and is hereby authorized to make necessary entries in the Registrar maintained for the purpose and to digitally sign and file E-form **MGT.14** with the Registrar of Companies, NCT of Delhi and Haryana.

FURTHER RESOLVED THAT Mr. Mohan Verma, Practicing Company Secretary, New Delhi be and is hereby authorized to certify and file Form **MGT.14** with Registrar of Companies, NCT of Delhi and Haryana and to do such acts, deeds and things as may be considered necessary and appropriate to give effect to the above resolution.”

2) Appointment of Additional Director:

“RESOLVED THAT pursuant to Section 161 of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, Mr. Atul Jain be and is hereby appointed as an Additional Director on the Board of Directors of the Company w.e.f. May 17, 2014, who shall hold office upto the date of the ensuing Annual General Meeting of the Company.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Manoj Agarwal, Director of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, NCT of Delhi and Haryana.”

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3) Taking note of Resignation of Director

“RESOLVED THAT resignation of Mr. Sanchit Goel as Director, from the Board of Directors of the Company, be and is hereby accepted with effect from May 29, 2014.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Amit Tiwari, Director of the Company be and is hereby authorised to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns along with filing of necessary E-form with the Registrar of Companies, NCT of Delhi and Haryana.”

4) Appointment of First Auditors

“RESOLVED THAT pursuant to the provision of section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s Sudesh Mehta & Associates, Chartered Accountants of Lucknow, from whom written consent to act as first Auditor along with certificate pursuant to section 139(1) of the Companies Act, 2013, has been received, be and are hereby appointed as the first auditors of the company to hold office until the conclusion of the first annual general meeting of the company at a remuneration to be determined by the Board of directors of the company.

RESOLVED FURTHER THAT Mr. Mohan Prakash, Director of the company be and is hereby directed to give intimation of this appointment to the statutory authorities, if required, and to the Auditors so appointed.”

5) Increase in Authorised Share Capital

“RESOLVED THAT pursuant to the provisions of Section 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed there under, the consent of the Board of Directors of the Company be and is hereby accorded, subject to the approvals of shareholders in the General meeting, to increase the Authorized Share Capital of the Company from existing Rs. 50,00,000 (Rupees Fifty Lacs) divided into 5,00,000 (Five Lacs) Equity Shares of Rs. 10/- each to Rs. 75,00,000 (Rupees Seventy Five Lacs) divided into 7,50,000 (Seven Lacs Fifty Thousand) Equity Shares of Rs. 10/- each by creation of additional 2,50,000 (Two Lacs Fifty Thousand) Equity Shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be deleted and the same be substituted with the following new clause as Clause V:

V. The Authorised Share Capital of the Company is Rs. 75,00,000/- (Rupees Seventy Five Lacs) divided into 7,50,000 (Seven Lacs Fifty Thousand) Equity Shares of face value of Rs. 10/- (Rupees Ten) each.”

6) Constitution of CSR Committee

“RESOLVED THAT pursuant to the provisions of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company be and is hereby

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constituted comprising of the following members of the Board of Directors of the Company as members of CSR Committee:

1. Mr. Raman Joshi, Chairman
2. Mr. Uday Singh, Member
3. Mr. Ravi Kumar, Member

RESOLVED FURTHER THAT the terms of reference of CSR Committee shall, inter-alia, include the following:

- a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- c. To monitor the CSR policy of the Company from time to time;
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

RESOLVED FURTHER THAT the quorum for the CSR Committee Meeting shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

RESOLVED FURTHER THAT Company Secretary to the Company shall act as Secretary to the CSR Committee."

7) **Change in Name of the Company**

"RESOLVED THAT pursuant to the provisions of Section 4 (4), 13 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) and the rules framed there under, consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, NCT of Delhi & Haryana and subject to the approval of Shareholders in General Meeting, to change the name of the Company from **ABC Private Limited** to **XYZ Private Limited**.

"RESOLVED FURTHER THAT Clause I of the Memorandum of Association of the Company be substituted by the following:

'The Name of the company is **XYZ Private Limited**.

"RESOLVED FURTHER THAT Clause 2 of the Articles of Association of the company be substituted by the following:

"The Company" means **XYZ Private Limited**

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FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Manoj Agarwal, Director of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, NCT of Delhi and Haryana.”

8) **Change in Object Clause of the Company**

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, NCT of Delhi & Haryana and subject to the approval of Shareholders in General Meeting, to append following sub clause (4) after sub clause (3) of clause III (A) of the Memorandum of Association of Company:

(4) *“To carry on the Trade and Business”*

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Manoj Agarwal, Director of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, NCT of Delhi and Haryana.”

9) **Re-adoption of Article of Association**

“**RESOLVED THAT** pursuant to the provisions of Sections 14 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Incorporation) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of Shareholders in General Meeting, to re-adopt the draft regulations contained in the Articles of Association submitted to this meeting in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Mr. Manoj Agarwal, Director of the Company be and is hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, NCT of Delhi and Haryana.”

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10) **Appointment of Auditor**

read with Companies (Audit and Auditors) Rules, 2014, M/s Sudesh Mehta & Associates, Chartered Accountants of Lucknow

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the Board of Directors of the Company be and is hereby accorded, subject to the approval of Shareholders in General Meeting, to re-appoint M/s Sudesh Mehta & Associates, (Firm Registration No 458624G) Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 4TH Annual General Meeting (after commencement of the Companies Act 2013), subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.”

Other Corporate Secretarial work under Companies Act, 2013

For my other Corporate Law Articles on Companies Act, 2013, kindly refer the links mentioned below:

1. [Useful Interpretations about Companies Act, 2013 - Part-1](#)
2. [List of Resolutions to be filed with ROC in Form MGT.14](#)
3. [Procedure for Appointment of Additional Director in CA 2013](#)
4. [Different Monetary Limits under Companies Act 2013](#)
5. [Companies to have Uniform Financial year under CA 2013](#)
6. [Procedure for Increase in Authorise Share Capital under Companies Act, 2013.](#)
7. [Intimation to ROC for Auditor appointment in form ADT.1](#)
8. [Procedure for Resignation of Director under Companies Act, 2013](#)

Disclaimer:

Readers are advised to refer relevant provision of law before applying or accepting any of the point mentioned above. Author accepts no responsibility whatsoever and will not be liable for any losses, claims or damages which may arise because of the contents of this write up.

I am hopeful that this write up would be of some help w.r.t. your professional working and endeavors under Companies Act, 2013. Kindly share your opinion.

Thanks

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July 23, 2014