Content

THE CONSTITUTION OF INDIA

PREAMBLE

WE, THE PEOPLE OF INDIA, having solemnly resolved to constitute India into a [SOVEREIGN SOCIALIST SECULAR DEMOCRATIC REPUBLIC] and to secure all its citizens:

JUSTICE, social, economic and political;

LIBERTY of thought, expression, belief, faith and worship;

EQUALITY of status and of opportunity; and to promote among them all

FRATERNITY assuring the dignity of the individual and the [unity and integrity of the Nation];

IN OUR CONSTITUENT ASSEMBLY this twenty-sixth day of November, 1949 do HEREBY ADOPT, ENACT AND GIVE TO OURSELVES THIS CONSTITUTION.

Chapter-1

Resolution & Approval u/s 123-470

Special Resolution	Ordinary Resolution	Board Resolution	Unanimous Resolution	Authorisation from AOA	CG APPROVAL
140(1) 149(1)&(2) 149(10)&(1) 162 165(2) 180(1)(a) 180(1)(b) 180(1)(c) 180(1)(d) 185 186(3) 188 196(3) 197(4) 210(1) 212 455	123 123(1) 139(1) 139(8) 139(9) 142(1) 149 149(1) 151 152(2) 152(6) 160 161(1) 161(2) 169 181 183 188(1) 191(1) 192(1) 196(3) 197(1) 197(4) 197(7)	123 123(1) 123(3) 128(1) 128(3) 134(1) 135(4) 139(8) 142(1) 148(3) 149 161(1) 161(2) 161(3) 161(4) 179 180(1)(c) 181 182 183 186(5) 188 193 196(4) 203(2) 203(3) 203(3) 203(4)	Board 203(7) 186 Shareholder 162 To make employee eligible for vote	163 161(1)	140(1) 196(4) 197(1)

Chapter-2

Exemption for Private companies

By exemption notification number- 464 (E) dated 5Th June-2015

141(3)g.	While counting eligibility for company audit of limit in 20 Companies, Pvt Company having paid up share capital less than 100 Crore is excluded. Also dormate companies, small companies & one person companies has been exempted from counting of such limit.
160	For appoint of fresh director security deposit of Rs. 1,00,000 not require
162	Two or more director can be appointed by single resolution without passing a resolution that two or more director being appointed by single resolution.
180	No Special Resolution require for Sale of undertaking, Investment of compensation received on merger, amalgamation, etc. Borrowing if it exceed sum of paid up share capital and free reserve Remission of debt due to director.
2(76)	Related party not includes Holding company, Subsidiary companies, Associate Companies or subsidiary of holding companies..
188	Member can vote and counted in quorum even if he is related party.
185	Not applicable for private companies in which 1. No other company has made investment. 2. Borrowing is less than twice of paid up share capital or Rs.50 Crore w.i.lower. 3. No default is made in repayment of loan
184	After disclosure of interest, interested director can participate as well as Vote and also shall be counted in quorum.
196(4)	For appointment no prior application/ approval in MR-2 require within 90 days.

Chapter- 3

Exemption for Under section 8 companies

By exemption notification number- 466 (E) dated 5Th June-2015

136/101	Time limit for circulation of financial statement & Notice reduced to 14 days from 21 days.
149 (4)-(13)	Concept of maximum – minimum number of director & independent director not applicable.
150	Data bank provision will not apply.
152 (5)	Consent of director in form-DIR 2 not require.
160	For appoint of fresh director security deposit of Rs. 1,00,000 not require
165	Holding of directorship in U/S 8 Companies will not be counted.
173	Only 1 board meeting in every 6 calendar month, without 90 days gap consideration.
174	Lower of 8 or 25% of total strength w.i.lower but not less than 2.
177(2)	The audit Committee of Sec 8 company need not require the ID as majority.
178	Not applicable , So no Nomination Remuneration Committee or Stake holder relationship Committee require.
179	The power which can be delegated- BIG (Borrowing money, Investment fund & Grant loan) power, can be decided by resolution of circulation.
2(76)	Related party not includes Holding company, Subsidiary companies, Associate Companies or subsidiary of holding companies..
188	Not applicable if transaction less than 1,00,000.
184	
189	
196(4)	For appointment no prior application/ approval in MR-2 require within 90 days.

Chapter- 4

Exemption for Government companies

By exemption notification number- 463 (E) dated 5Th June-2015

For government companies	
134(3)(e)	Exemption from formation of NRC so no such disclosure require in board report.
134(3)(p)	Exemption from performance evaluation by board, so no such disclosure require in board report
149(1)(b)	Maximum number of director may exceed 15 without passing any special resolution
149(6)(a)	Independence shall be determined by central government, So merely criteria of honesty, integrity & expertise is not sufficient.
149(6)(c)	Proposed independent director may have pecuniary relationship with group companies, in spite of that he will be treated as independent director,
164(2)	No disqualification of director even he fails to file financial statement / Annual return of continuous period of 3 year & even if he fails to repay debenture, deposit or interest there on, or dividend.
186	Not applicable, in case of government companies Loan, Investment, Guarantee and securities can be made without SR in GM & UBR.
188(1)	Not applicable So now for related parties transaction, No any SR in GM require even if prescribed threshold exceed, Although BR in BM require as normally.
196 (2), (4), (5)	These provisions are not applicable to a government company. Section 196(2) relates to term of managing director not to exceed five years. Section 196(4) relates to approval of the members/ Central Government as the case may be for appointment of managing director. So no approval of central government

	require for appointment. Section 196(5) relates to validity of actions of Managing Director if his appointment is not approved at the General Meeting. Approval not require so no question of validity either CG approve or not.
203	After sub-section (4), the following sub-section shall be inserted, namely :— "(4A) The provisions of sub-sections (1), (2), (3) and (4) of this section shall not apply to a managing director or Chief Executive Officer or manager and in their absence, a whole time director of the Government Company." So, vacancies in the office of KMP shall not be filled up by board.
439(2)	The word "the Registrar, a shareholder of the company" shall be omitted. So now court cannot take cognizance of any offence on compliant of registrar or shareholder of the company. Cognizance can be taken on when complaint is made by person authorised by CG or SEBI.
For WOS of CG/SG/CG or SG	
123(1)	Exemption from compliance of Rule- 3 of Declaration and Payment of Dividend rule – 2014
170	No need to maintain register of director or file DIR-12
For WOS of CG/SG/CG or SG & other subsidiary	
123(4)	Exemption from transfer of dividend within 5 days in separate scheduled bank.
152(6), (7)	Rotational and non rotation director provision Not applicable.
160	The process of the appointment of the new director and the notice of 14 days and the deposit of Rs. 1 lac for such appointment is not applicable to government company.
162	Two or more director can be appointed by single resolution without passing a resolution that two or more director being appointed by

	single resolution.
163	Sec 163 of adoption of the method of proportional representation is not applicable to the government company. So government company need not appoint min 2/3 directors by this method.
For Government companies engaged in defence	
129	Exemption from compliance with AS -17
186	Not applicable, in case of government companies Loan, Investment, Guarantee and securities can be made without SR in GM & UBR.