

Resolutions under Companies Act 2013



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This document would help in determining various Resolutions that are to be filed with Registrar of Companies by Companies under the provisions of Companies Act 2013

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RESOLUTIONS UNDER COMPANIES ACT 2013

Statutory Provisions

A Company has to file various resolutions under the Companies Act 2013. In this document we have tried to summarize various types of resolutions a company is required to file with the Registrar of Companies. The relevant statutory provisions for filing of resolutions and agreements are:

- Section 117 – Resolutions & Agreement to be filed
- Section 179(3) – Powers of the Board
- Rule 8 of Companies (Meetings of Board and its Powers) Rules, 2014
- All Resolutions are to be filed in Form MGT – 14

Resolutions for a Public Company

A public company is to file the following resolutions with the Registrar of Companies in Form MGT - 14:

S. No.	Upto 17 th March 2015	18 th March 2015 Onwards
1	Special Resolutions	Special Resolutions
2	Resolutions agreed by all members of Company but which if not so agreed would not have been effective unless passed as Special Resolution	Resolutions agreed by all members of Company but which if not so agreed would not have been effective unless passed as Special Resolution
3	Board resolution or agreement relating to appointment, renewal or variation in terms of appointment of Managing Director	Board resolution or agreement relating to appointment, renewal or variation in terms of appointment of Managing Director



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4	Resolutions or agreements agreed by any class of members of Company but which if not so agreed would not have been effective unless passed by specified majority or otherwise in some particular manner	Resolutions or agreements agreed by any class of members of Company but which if not so agreed would not have been effective unless passed by specified majority or otherwise in some particular manner
5	Resolutions passed u/s 180 (1) (a) & (c)	Resolutions passed u/s 180 (1) (a) & (c)
6	Voluntary winding up resolutions u/s 304	Voluntary winding up resolutions u/s 304
7	Board Resolution passed to make calls on shareholders in respect of money unpaid on their shares	Board Resolution passed to make calls on shareholders in respect of money unpaid on their shares
8	Board Resolution passed to authorize Buy-back of securities u/s 68	Board Resolution passed to authorize Buy-back of securities u/s 68
9	Board Resolution passed to issue securities, including debentures, whether in or outside India	Board Resolution passed to issue securities, including debentures, whether in or outside India
10	Board Resolution passed to borrow monies	Board Resolution passed to borrow monies
11	Board Resolution passed to invest the funds of the company	Board Resolution passed to invest the funds of the company
12	Board Resolution passed to grant loans or give guarantee or provide security in respect of loans	Board Resolution passed to grant loans or give guarantee or provide security in respect of loans
13	Board Resolution passed to approve Financial Statement and Board's Report	Board Resolution passed to approve Financial Statement and Board's Report
14	Board Resolution passed to diversify the business of the Company	Board Resolution passed to diversify the business of the Company
15	Board Resolution passed to approve amalgamation, merger or reconstruction	Board Resolution passed to approve amalgamation, merger or reconstruction
16	Board Resolution passed to take over a Company or acquire a controlling or	Board Resolution passed to take over a Company or acquire a controlling or



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	substantial stake in another company	substantial stake in another company
17	Board Resolution passed to make political contribution	Board Resolution passed to make political contribution
18	Board Resolution passed to appoint or remove KMP	Board Resolution passed to appoint or remove KMP
19	Board Resolution passed to appoint internal auditor and secretarial auditor	Board Resolution passed to appoint internal auditor and secretarial auditor
20	Board Resolution passed to note appointment / removal of 1 level below KMP	
21	Board Resolution passed to take note of disclosure of director's interest and shareholding (in MBP 1)	
22	Board Resolution passed to buy, sell investments (other than trade investments), constituting 5% or more of the paid up share capital & free reserves of investee co.	
23	Board Resolution passed to invite or accept or renew public deposits;	
24	Board Resolution passed to review or change the terms and conditions of public deposit	
25	Board Resolution passed to approve quarterly, half yearly & annual Financial Statements	

Hence, for a Public Company upto 17th March 2015, there were 25 types of resolutions to be filed with the Registrar in MGT 14, but with effect from 18th March 2015 they have to file only 19 types of resolutions. For various types of special resolutions which a company may have to pass, see the chart within this document.



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Resolutions for a Private Company

A private company is to file the following resolutions with Registrar of Companies in Form MGT - 14:

S. No.	Upto 17 th March 2015	18 th March 2015 to 4 th June 2015	5 th June 2015 Onwards
1	Special Resolutions	Special Resolutions	Special Resolutions
2	Resolutions agreed by all members of Company but which if not so agreed would not have been effective unless passed as Special Resolution	Resolutions agreed by all members of Company but which if not so agreed would not have been effective unless passed as Special Resolution	Resolutions agreed by all members of Company but which if not so agreed would not have been effective unless passed as Special Resolution
3	Board resolution or agreement relating to appointment, renewal or variation in terms of appointment of Managing Director	Board resolution or agreement relating to appointment, renewal or variation in terms of appointment of Managing Director	Board resolution or agreement relating to appointment, renewal or variation in terms of appointment of Managing Director
4	Resolutions or agreements agreed by any class of members of Company but which if not so agreed would not have been effective unless passed by specified majority or otherwise in some particular manner	Resolutions or agreements agreed by any class of members of Company but which if not so agreed would not have been effective unless passed by specified majority or otherwise in some particular manner	Resolutions or agreements agreed by any class of members of Company but which if not so agreed would not have been effective unless passed by specified majority or otherwise in some particular manner
5	Resolutions passed u/s 180 (1) (a) & (c)	Resolutions passed u/s 180 (1) (a) & (c)	
6	Voluntary winding up resolutions u/s 304	Voluntary winding up resolutions u/s 304	Voluntary winding up resolutions u/s 304
7	Board Resolution passed	Board Resolution passed to	



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	to make calls on shareholders in respect of money unpaid on their shares	make calls on shareholders in respect of money unpaid on their shares	
8	Board Resolution passed to authorize Buy-back of securities u/s 68	Board Resolution passed to authorize Buy-back of securities u/s 68	
9	Board Resolution passed to issue securities, including debentures, whether in or outside India	Board Resolution passed to issue securities, including debentures, whether in or outside India	
10	Board Resolution passed to borrow monies	Board Resolution passed to borrow monies	
11	Board Resolution passed to invest the funds of the company	Board Resolution passed to invest the funds of the company	
12	Board Resolution passed to grant loans or give guarantee or provide security in respect of loans	Board Resolution passed to grant loans or give guarantee or provide security in respect of loans	
13	Board Resolution passed to approve Financial Statement and Board's Report	Board Resolution passed to approve Financial Statement and Board's Report	
14	Board Resolution passed to diversify the business of the Company	Board Resolution passed to diversify the business of the Company	
15	Board Resolution passed to approve amalgamation, merger or reconstruction	Board Resolution passed to approve amalgamation, merger or reconstruction	



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16	Board Resolution passed to take over a Company or acquire a controlling or substantial stake in another company	Board Resolution passed to take over a Company or acquire a controlling or substantial stake in another company	
17	Board Resolution passed to make political contribution	Board Resolution passed to make political contribution	
18	Board Resolution passed to appoint or remove KMP	Board Resolution passed to appoint or remove KMP	
19	Board Resolution passed to appoint internal auditor and secretarial auditor	Board Resolution passed to appoint internal auditor and secretarial auditor	
20	Board Resolution passed to note appointment / removal of 1 level below KMP		
21	Board Resolution passed to take note of disclosure of director's interest and shareholding (in MBP 1)		
22	Board Resolution passed to buy, sell investments (other than trade investments), constituting 5% or more of the paid up share capital & free reserves of investee co.		
23	Board Resolution passed to invite or accept or renew public deposits;		
24	Board Resolution passed		



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	to review or change the terms and conditions of public deposit		
25	Board Resolution passed to approve quarterly, half yearly & annual Financial Statements		

Hence, for a Private Company upto 17th March 2015, there were 25 types of resolutions to be filed with the Registrar in MGT 14 and from 18th March 2015 to 4th June 2015 they had to file 19 types of resolutions. However, w.e.f. 5th June 2015 they have to file only 5 types of resolutions. For various types of special resolutions which a company may have to pass, see the chart below.

Special Resolutions under Companies Act 2013

The below chart contains list of Special Resolutions which are to be passed by all companies (wherever required) under Companies Act 2013

S.NO	SECTION	PURPOSE
1	12 (5)	Change of Registered office outside the local limits of any city, town or village within the same State.
2	13	Alteration of Memorandum except alteration of share capital.
3	14	Alteration of Articles.
4	27	Variation in terms of contract or objects in prospectus.
5	41	Company can issue Global Depository Receipt.
6	48	Variation of shareholder's rights.
7	54	Issue of sweat equity shares.
8	62 (1) (b)	Issue of Employees stock option (except for Private Companies).
9	66	Reduction of share capital.



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10	68	Buy back of securities.
11	71	Issue of Convertible Debentures (wholly or partly).
12	94	Permission to keep registers or copies of returns at any place other than the registered office of the Company.
13	140	Removal of auditor before the expiry of his term.
14	149	To appoint More than 15 directors on the Board of Directors.
15	149 (10)	Reappointment of an independent director for second term.
16	165 (2)	A Company specify any lesser number of companies (i.e. less than 20) in which a director of the company may act as directors.
17	180	Certain powers to be exercised by the Board with the consent of shareholder.
18	185	Granting loan to managing or whole-time director(exemption to private companies on fulfilling of certain conditions).
19	186	Giving of Loan or Guarantee, Security in excess of Limits Prescribed.
20	188	Prior approval by a special resolution is necessary for any transaction which is in excess of the limits prescribed this section.
21	196	Appointment of person as the managing director or whole-time director or manager of the company whose age is 70 or more.
22	197(4)	Remuneration to any director shall be subject to the provisions of this section either by the articles or by a Special Resolution if articles require.
23	210	Company may state that the affairs of the company out to be investigated.
24	212	Affairs of the company out to be investigated by the serious fraud investigating office.
25	226	Voluntary Winding Up of Company.
26	248	Request to ROC for striking off the name of the Company in certain

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		conditions.
27	262	Amalgamation of the sick company with any other company.
28	271(1)(b)	Company be wound up by the Tribunal if company has by special resolution resolved that.
29	304(a)	Voluntary Winding up of a Company by passing special resolution.
30	319(1)	Authority given to the Liquidator to accept shares etc. as consideration for sale of property.
31	321(1)(1)	Arrangement between the Company (which is in Winding Up) and Creditors is binding on that Company if sanctioned through Special Resolution.
32	343(1)(b)	Company Liquidator to exercise certain powers only with the sanction of Special Resolution.
33	347(1)(b)	Disposal of books and papers of the Company through Special Resolution in case of Voluntary Winding Up
34	371(3)(a)	Applicability of Table F (i.e. Articles of Association of a Company Limited by Shares) of Schedule I.

Special Resolutions under various Company Rules

Below charts contains list of Special Resolutions which are to be passed by all companies (wherever required) under various Company Rules

Companies (Specification of Definitions Details) Rules 2014

S.NO	RULE	PURPOSE
1	7(1)	Conversion of Private Company (other than companies with charitable objects) into One Person Company.
2	21	Conversion of a company registered for charitable into company of any other kind.

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3	30	Shifting of registered office from one State to another State or Union Territory.
4	32	Change of objects for which money is raised through prospectus.

Companies (Prospectus and allotment of Securities) Rules 2014

S.NO	RULE	PURPOSE
1	7(1)	Variation in terms of contracts referred to in the prospectus or objects for which prospectus was issued.
2	32	Change of objects for which money is raised through prospectus.

Companies (Issue of Global Depository Receipts) Rules 2014

S.NO	RULE	PURPOSE
1	4(1)	Issue of Depository Receipts.

Companies (Share Capital and Debentures) Rules 2014

S.NO	RULE	PURPOSE
1	8(1)	Issue of Sweat Equity Shares.
2	9(1)	Issue and Redemption of Preference Shares.
3	12(1)	Issue of Employee Stock Options.
4	13(1)	Issue of shares on Preferential basis.

Companies (Audit and Auditors) Rules 2014

S.NO	RULE	PURPOSE
1	7(1)	Removal of Auditors before expiry of his term.



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Companies (Meetings of Board and its Powers) Rules 2014

S.NO	RULE	PURPOSE
1	13(1)	Aggregate of Loans and investment in excess of limits specified under Section 186.

Penalty for Non-compliance

S.NO	DEFAULT	PENALTY / FINE
1	Within 30 days of passing of Resolution	No Default – No Penalty
2	Within 300 days of passing of Resolution	Additional fee as prescribed
3	Beyond 300 days of passing of Resolution	<ul style="list-style-type: none">On Company – Additional fee plus fine<ul style="list-style-type: none">Minimum - Rs. 1 LacMaximum - Rs. 5 LacsOn Officer in Default including liquidator, if any<ul style="list-style-type: none">Minimum - Rs. 1 LacMaximum - Rs. 5 Lacs

I hope the above document would be of use to you. I thank CS. Neha Jain in assisting me to compile the information in this document.

Best Regards

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