**📘 Director Minutes & Resolutions – Ensure Legal Compliance & Strong Governance**

In every company, key decisions are made by its Board of Directors. But just making decisions isn't enough—**documenting those decisions legally and correctly is equally important.** That's where *Director Minutes and Resolutions* come into play.

As a business owner or company director, you must comply with corporate governance norms laid down under the Companies Act, 2013. Whether it’s a board meeting or a shareholder meeting, maintaining **accurate and timely minutes and resolutions** is not just a formality—it’s a legal necessity that protects your business from future disputes, audits, or penalties.

Let us help you draft and maintain your board decisions in a professional and compliant manner, ensuring smooth corporate functioning.

**📝 What Are Director Minutes and Resolutions?**

* **Minutes** are the official, written records of decisions taken during board meetings or general meetings.
* **Resolutions** are formal decisions passed by the board or shareholders, either in meetings or via circulation.

These documents serve as **legal evidence** of decisions made and ensure transparency and accountability in corporate governance.

**🔍 Levels & Importance of Documentation**

* **Board Level:** Minutes of Board Meetings (BM) are crucial for decision-making and regulatory compliance.
* **Shareholder Level:** General Meeting Minutes (AGM/EGM) record decisions affecting shareholders' interests.
* **Committee Level:** Minutes of committees (like Audit Committee, CSR Committee) as per requirement.

**Proper documentation of these helps avoid:**

* Legal disputes
* Regulatory penalties
* Non-compliance issues during audits or inspections

**⚖️ Legal Provisions under the Companies Act, 2013**

* **Section 118** – Deals with **minutes of proceedings** of general meetings, board meetings, and resolutions.
* **Section 179** – Covers the **powers of the Board** and authorisation of key decisions via resolutions.
* **Rule 25 & 26 of Companies (Management & Administration) Rules, 2014** – Specify the manner of maintenance and signing of minutes.

**🧾 Types of Resolutions**

Depending on the nature of the decision, resolutions can be of the following types:

* **Board Resolutions**

Passed by the Board of Directors for routine or operational decisions, such as:

* 1. Appointment or resignation of directors
  2. Opening bank accounts
  3. Approval of financial statements
  4. Allotment of shares
* **Shareholder Resolutions (Members' Resolutions)**

Passed by shareholders at general meetings, they include:

* 1. Appointment or removal of directors/auditors
  2. Alteration of MOA/AOA
  3. Change of company name or registered office
  4. Voluntary winding up
* **Ordinary Resolution**

Requires a simple majority. Used for regular decisions.

* **Special Resolution**

Requires at least 75% majority. Used for critical decisions (e.g., alteration in capital structure,

mergers, etc.).

* **Resolutions by Circulation**

Passed without a physical meeting, sent to all directors for approval.

**❗ Penalties for Non-Compliance**

Failure to maintain or sign minutes properly may lead to:

* **Penalty up to ₹25,000 for the company**
* **₹5,000 per officer in default (including directors/CS)**
* MCA may consider it as a case of *mismanagement or suppression of records*

Auditor or regulatory disqualification

**⏳ Timelines & Maintenance Requirements**

|  |  |  |  |
| --- | --- | --- | --- |
| **Document** | **Timeline for Preparation** | **Signing Authority** | **Storage Requirement** |
| Board Meeting Minutes | Within 30 days of meeting | Chairman of the meeting | 8 years (physical or electronic) |
| General Meeting Minutes | Within 30 days of the meeting | Chairman of the meeting | Permanently |
| Committee Minutes | Within 30 days of meeting | Chairman of the committee | 8 years |

**🖋️ Format & Key Contents of Minutes**

Well-drafted minutes should contain:

* Date, time, and venue of the meeting
* Names of present members and quorum status
* Agenda items discussed
* Summary of deliberations
* Exact resolution text passed
* Signature and date by Chairman

We use **structured formats** based on MCA and ICSI guidelines to maintain quality and uniformity.

**💡 Common Scenarios Where Resolutions are Required**

Clients often overlook the need for formal resolutions. Here are **key decisions** where resolutions are mandatory:

* Appointment or change of directors or auditors
* Issue or transfer of shares
* Declaration of dividend
* Borrowing money or giving loans
* Buyback of shares or ESOP issuance
* Related party transactions
* Investment in other companies
* Any alteration in MOA, AOA, or capital

We help you identify when resolutions are legally necessary, and assist in drafting & filing them properly.

**📑 Digital Maintenance & E-Documentation Support**

We also provide:

* **E-minute book maintenance** as per the Companies (Amendment) Act
* Board portal integration for easy access to minutes & resolutions
* Resolutions by *email circulation with digital consent tracking*
* *Cloud-based register and documentation* (if opted)

**📊 Our Value-Added Compliance Support**

* Reminders for meeting due dates
* Ready-to-use resolution templates
* ROC filing services (like MGT-14 for special resolutions)
* Statutory register updates alongside minutes
* Training to directors on legal compliance during board proceedings

**🎯 Why It Matters for Your Business**

**“A well-documented decision today is your strongest defence tomorrow.”**

**Maintaining proper minutes and resolutions:**

* **Safeguards directors from liability**
* **Enhances investor, auditor & banker confidence**
* **Makes future due diligence and M&A easier**
* **Ensures ROC & regulatory compliance**

**🛡️ Why Clients Trust Us**

As your trusted CS service provider, we offer:

* Drafting of accurate, legally compliant minutes & resolutions
* Customization based on your business needs
* Timely compliance with ROC and Companies Act norms
* Expert support during audits or inspections

**📂 Our Services Include:**

* Drafting Board and Shareholder Resolutions
* Preparing Minutes of Board, Committee, and General Meetings
* Maintenance of Statutory Registers & Minute Books
* Filing relevant resolutions with ROC (MGT-7, MGT-14, etc.)
* Providing compliance calendar for regular documentation

**🏢 Who Needs These Services?**

* Private Limited Companies
* Public Limited Companies
* Section 8 Companies (NGOs)
* LLPs (for partner resolutions)
* Startups and growing businesses seeking investment or funding

**📌 Final Note:**

**Neglecting minutes and resolutions can lead to heavy penalties and disqualification of directors.** Stay ahead with professional documentation support and protect your company's legal standing.

**Let us handle the paperwork—so you can focus on growing your business.**