

Meetings as per the Companies Act 2013,

including the First Board Meeting for Private Companies

Introduction

Meetings are an essential aspect of corporate governance and operations, providing a platform for decision-making, planning, and ensuring compliance with statutory requirements. Under the Companies Act, 2013 (“the Act”) various types of meetings are mandated, each serving specific purposes and adhering to distinct regulations.

Types of Meetings under the Act;

- 1 Board Meetings
- 2 Annual General Meeting (“AGM”)
- 3 Extraordinary General Meeting (“EGM”)

01

Board Meetings

Definition and Purpose

Board meetings are formal gatherings of the directors of the Company. It is convened to discuss and decide on various business affairs, including strategy, financial performance, compliance, and other critical issues.

Frequency

According to the Act, the board of directors of every Company must meet at least four times a year, with a maximum gap of 120 days between any two consecutive meetings.

For One Person Company, Small Company, Dormant Company and a Private company (if such private company is a start-up) at least one Board meeting should be conducted in each half of the calendar year and the gap between two meetings should not be less than Ninety days.

Notice

A minimum of seven days' notice or unless the Articles prescribe a longer period, must be given to all directors for convening a board meeting. In case the company sends the Notice by speed post or by registered post, an additional two days shall be added for the service of Notice.

The notice should specify the serial number, day, date, time, full address of the venue and agenda of the meeting.

Quorum

The quorum for a board meeting is generally one-third of the total strength of the board or two directors, whichever is higher. If the required quorum is not present, the meeting is adjourned.

The First Board Meeting

Timing

The first board meeting must be held within 30 days of the incorporation of the company. This meeting sets the groundwork for the company's operations and governance.

Agenda

The agenda for the first board meeting typically includes:

- Appointment of the Chairperson of the meeting.
- Noting the Certificate of Incorporation of the company.
- Taking note of the situation of the Registered Office of the company.
- Note of the PAN & TAN of the company.
- Appointment of the first Statutory auditor of the company.
- Noting of the disclosure of interest by directors under section 184(1) and declaration under section 164(2) of

the companies act, 2013

- Making arrangements for the maintenance of statutory registers.
- Issuing share certificates to the subscribers of the Memorandum and Articles of Association.
- Authorize digital signing of e-forms with Registrar of Companies
- Deciding on the fiscal year of the company.
- Approving preliminary contracts and expenses incurred in the formation of the company.
- Ensure proper maintenance of Books and Statutory Registers.
- Maintaining the Minutes Book
- Opening a bank account for the company.

Documentation

Minutes of the board meeting must be recorded and signed by the chairperson of the meeting. These minutes serve as an official record of the decisions made during the meeting.

02

Annual General Meeting (AGM)

Definition and Purpose

An AGM is a mandatory yearly gathering of shareholders. During the AGM, the company's financial statements are adopted, directors are regularized, auditors are appointed for a term and other significant matters are addressed as required.

Timing

The first AGM must be held within nine months from the end of the first financial year/period. Subsequent AGMs should be held within six months from the end of the financial year, ensuring that no more than fifteen months elapse between two AGMs.

Notice

A minimum of 21 clear days' notice is required to convene an AGM. The notice should include details about the date, time, venue, and agenda of the meeting unless specified otherwise in the Articles of the Company

Quorum

The quorum for a meeting is two members who are personally present.

03

Extraordinary General Meeting (EGM)

Definition and Purpose

An EGM is any meeting other than the AGM, called to address urgent or special matters that cannot wait until the next AGM.

Notice

A minimum of 21 days' notice is generally required, although an EGM can be called at shorter notice if

consent is obtained from majority of voting members holding not less than 95% of the Paid-up share capital that gives right to vote.

Quorum

The quorum requirements for an EGM are the same as those for an AGM.


Conclusion

Adhering to all requirements for board meetings, AGMs, and EGMs ensures that the company's operations are transparent and serve the best interests of its stakeholders and the Company.

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