

## MANDATORY BOARD RESOLUTIONS FOR MGT-14 FILING: PUBLIC AND PRIVATE COMPANIES

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### ➤ BOARD RESOLUTIONS BY PUBLIC COMPANIES

1. To make calls on shareholders in respect of money **unpaid on their shares** under Section 179(3).
2. To authorize the **buy-back** of securities under Section 68.
3. To **issue securities**, including debentures, whether in or outside India under Section 179(3).
4. To **borrow monies** under Section 179(3).
5. To **invest the funds** of the company under Section 179(3).
6. To **grant loans, give guarantees, or provide security** in respect of loans under Section 179(3).
7. To **approve the financial statement** and the Board's report under Section 179(3).
8. To **diversify the business** of the company under Section 179(3).
9. To **approve amalgamation, merger, or reconstruction** under Section 179(3).
10. To **take over a company** or acquire a controlling or substantial stake in another company under Section 179(3).
11. To **make political contributions** under Rule 8 of The Companies (Meetings of Board and Its Powers) Rules, 2014.
12. To **appoint or remove key managerial personnel (KMP)** under Rule 8 of The Companies (Meetings of Board and Its Powers) Rules, 2014.
13. To **appoint internal auditors** and **secretarial auditors** under Rule 8 of The Companies (Meetings of Board and Its Powers) Rules, 2014.

### ➤ BOARD RESOLUTIONS BY PRIVATE & PUBLIC COMPANIES

1. Any resolution of the Board of Directors of a company or agreement executed by a company, relating to the **appointment, re-appointment, or renewal of the appointment**, or variation of the terms of appointment, of a **managing director** under Section 117(3)(c).
2. Any other **resolution or agreement** as may be prescribed and placed in the public domain under Section 117(3)(h).

### ➤ EXEMPTIONS

- In respect of a resolution passed to grant loans, give guarantees, or provide security in respect of loans under clause (f) of sub-section (3) of Section 179 in the ordinary course of its business by:
  - Banking companies;
  - Any class of non-banking financial companies registered under Chapter IIB of the Reserve Bank of India Act, 1934, as may be prescribed in consultation with the Reserve Bank of India;

- Any class of housing finance companies registered under the National Housing Bank Act, 1987, as may be prescribed in consultation with the National Housing Bank.

➤ **NOTES:**

- If a Private Limited Company is a subsidiary of a Public Limited Company, then sections applicable to Public Companies must be complied with by the Private Limited Company.
- For Private Companies, MGT-14 is not required to be filed for resolutions passed in pursuance of sub-section (3) of Section 179 because Section 117(3)(g) is exempt for Private Companies under Notification No. G.S.R.464(E) dated 5th June 2015.