

**SECRETARIAL STANDARD
ON
MEETINGS OF THE BOARD OF DIRECTORS (SS-1)
Notified w.e.f. 01st July 2015**

Institute of Company Secretaries of India is first Institute in the world to issue Secretarial Standards (SS) . Secretarial Standard is mandatory, as per the provisions of Section 118(10) of the Companies Act, 2013 . The same will be made effective from 1st July 2015.

The Secretarial Standard 1 (SS 1) is applicable to the Meetings of Board of Directors of all companies incorporated under the Act (as on that approx 8 Lac Companies) except One Person Company (OPC) in which there is only one Director on its Board.

SS will ensure good corporate governance and gives confidence to the Investors and various Stakeholders .

1. Authority of convening a Meeting

Any Director of a company may, at any time, summon a Meeting of the Board, and the Company Secretary or where there is no Company Secretary, **any person authorized by the Board** in this behalf, on the requisition of a Director, shall convene a Meeting of the Board, in consultation with the Chairman or in his absence, the Managing Director or in his absence, the Whole-time Director, where there is any, unless otherwise provided in the Articles.

2. Time, Place, Mode and Serial Number of Meeting .

2.1. Every Meeting shall have a **serial number**.

2.2. A Meeting may be convened at any time and place, on any day, excluding a National Holiday.

Explanation : “National Holiday” includes Republic Day i.e. 26th January, Independence Day i.e. 15th August, Gandhi Jayanti i.e. 2nd October and such other day as may be declared as National Holiday by the Central Government.

3. Notice

3.1. Notice in writing of every Meeting shall be given to **every Director by hand or by speed post or by registered post or by courier or by facsimile or by e-mail or by any other electronic means**. Proof of sending Notice and its delivery shall be maintained by the company.

3.2. Notice shall be issued **by the Company Secretary or where there is no Company Secretary, any Director or any other person authorized** by the Board for the purpose.

3.3. The Notice shall **specify the serial number**, day, date, time and full address of the venue of the Meeting.

- 3.4. In case the facility of participation through Electronic Mode is being made available , the Notice **shall inform the Directors about the availability of such facility**, and provide them necessary information to avail such facility.

The Notice shall also contain the **contact number or e-mail address (es) of the Chairman or the Company Secretary or any other person authorized by the Board**, to whom the Director shall confirm in this regard. In the absence of an advance communication or confirmation from the Director as above, it shall be assumed that he will attend the Meeting physically.

- 3.5. The Notice of a Meeting shall be given even if Meetings are held on pre-determined dates or at pre-determined intervals.
- 3.6. Notice convening a Meeting shall be given **at least 7 days before the date of the Meeting**, unless the Articles prescribe a longer period.

Explanation : In case the company sends the Notice by speed post or by registered post or by courier, **an additional 2 days** shall be added for the service of Notice and Notice of adjourned shall also be given not less than seven days before the Meeting.

- 3.7. The Agenda, setting out the business to be transacted at the Meeting, and Notes on Agenda **shall be given to the Directors at least 7 days before the date of the Meeting**, unless the Articles prescribe a longer period. Proof of sending Notice and its delivery shall be maintained by the company.

The Notice, Agenda and Notes on Agenda shall be **sent to the Original Director** also at the address registered with the company, even if these have been sent to the Alternate Director.

Notes on items of business **which are in the nature of Unpublished Price Sensitive Information may be given at a shorter period of time than stated above, with the consent of a majority of the Directors**, which shall include **at least one Independent Director, if any**.

- 3.8. **Each item of business requiring approval at the Meeting shall be supported by a note setting out the details of the proposal, relevant material facts** that enable the Directors to understand the meaning, scope and implications of the proposal and the nature of concern or interest, if any, of any Director in the proposal, which the Director had earlier disclosed.
- 3.9. Each item of business to be taken up at the Meeting **shall be serially numbered**.
- 3.10 Any item not included in the Agenda **may be taken up for consideration with the permission of the Chairman** and with the consent of a majority of the Directors present in the Meeting, which shall include at least one Independent Director, if any.
- 3.11 To transact urgent business, **the Notice, Agenda and Notes on Agenda may be given at shorter period of time than stated above**.

4 Frequency of Meetings

4.1 Meetings of the Board

The Board shall meet at **least once in every calendar quarter, with a maximum interval of 120 days between any two consecutive Meetings** of the Board, such that at least four Meetings are held in each Calendar year.

4.2 Meeting of Independent Directors

Where a company is required to appoint Independent Directors under the Act, such Independent Directors shall meet **at least once in a Calendar Year**.

5 Quorum

5.1 Quorum shall be present **throughout** the Meeting.

5.2 A Director shall **not be reckoned for Quorum in respect of an item in which he is interested and he shall not be present**, whether physically or through Electronic Mode, during discussions and voting on such item.

5.3 Directors participating through Electronic Mode in a Meeting **shall be counted for the purpose of Quorum**, unless they are to be excluded for any items of business under the provisions of the Act or any other law.

5.4 The Quorum for a Meeting of the **Board shall be 1/3rd of the total strength of the Board, or 2 Directors, whichever is higher**.

If there is no Quorum at the adjourned Meeting also, the Meeting **shall stand cancelled**.

5.5 Where the number of Directors is reduced below the minimum fixed by the Articles, **no business shall be transacted unless the number is first made up by the remaining Director(s)** or through a general meeting.

6 Attendance at Meetings

6.1 Every company shall maintain **separate attendance registers for the Meetings of the Board and Meetings of the Committee**.

The pages of the respective attendance registers **shall be serially numbered** and If an attendance register is maintained in loose-leaf form, **it shall be bound periodically** depending on the size and volume.

6.2 The attendance register shall contain the **following particulars: serial number and date of the Meeting; in case of a Committee Meeting name of the Committee; place of the Meeting; time of the Meeting; names of the Directors and signature of each Director present; name and signature of the Company Secretary who is in attendance and also of persons attending the Meeting by invitation**.

6.3 The attendance register **shall be maintained at the Registered Office** of the company or such other place as may be approved by the Board & the attendance register is open for inspection by the Directors as he may consider necessary for the performance of his duties.

6.4 Entries in the attendance register shall be **authenticated by the Company Secretary or where there is no Company Secretary, by the Chairman by appending his signature** to each page and the same shall be **preserved for a period of at least 8 financial years**.

6.5 The office of a Director shall become vacant in case the Director absents himself from **all the Meetings of the Board held during a period of 12 months** with or without seeking leave of absence of the Board.

7 Chairman

The **Chairman of the company shall be the Chairman of the Board**. If the company does not have a Chairman, the Directors may elect one of themselves to be the Chairman of the Board.

8 Passing of Resolution by Circulation

The Act requires certain business to be approved only at Meetings of the Board. However, other business that requires urgent decisions can be approved by means of Resolutions passed by circulation. A Resolution **proposed to be passed by circulation shall be sent in draft, together with the necessary papers, individually to all the Directors including Interested Directors** on the same day.

The Resolution is passed when it is **approved by a majority of the Directors entitled to vote** on the Resolution, unless not less than one-third of the total number of Directors for the time being require the Resolution under circulation to be decided at a Meeting and Every such Resolution shall **carry a serial number**.

9 Minutes

9.1 The pages of the Minutes Books shall be **consecutively numbered**.

9.2 Minutes shall **not be pasted or attached to the Minutes Book**, or tampered with in any manner.

9.3 Minutes of the Board Meeting **shall be kept at the Registered Office** of the company or at such other place as may be approved by the Board.

9.4 Minutes shall state, **at the beginning the serial number and type of the Meeting, name of the company, day, date, venue and time of commencement and conclusion** of the Meeting.

9.5 Minutes **shall record the names of the Directors present physically or through Electronic Mode, the Company Secretary who is in attendance at the Meeting and Invitees**, if any, including Invitees for specific items.

10 Finalization of Minutes

Finalization of Minutes shall be done within 15 days from the date of the conclusion of the Meeting of the Board or the Committee, the draft Minutes thereof shall be circulated by hand or by speed post or by registered post or by courier or by e-mail or by any other recognized electronic means to all the members of the Board or the Committee for their comments and **proof of sending draft Minutes and its delivery shall be maintained** by the company.

The Directors, whether present at the Meeting or not, shall communicate their comments, if any, **in writing** on the draft Minutes within 7 days from the date of circulation thereof, so that the Minutes are finalized and **entered in the Minutes Book within the specified time limit of 30 days**.

11 Entry in the Minutes Book

- 11.1 Minutes shall be **entered in the Minutes Book within 30 days** from the date of conclusion of the Meeting.
- 11.2 The date of entry of the Minutes in the Minutes Book **shall be recorded by the Company Secretary, where there is no Company Secretary, it shall be entered by any other person duly authorised by the Board or by the Chairman.**
- 11.3 Minutes of the Meeting of the **Board shall be signed and dated by the Chairman of the Meeting** or by the Chairman of the next Meeting.
- 11.4 The Chairman shall initial each page of the Minutes, sign the last page and append to such signature the date on which and the place where he has signed the Minutes and any blank space shall be scored out by the chairman.
- 11.5 A copy of the signed Minutes certified by the Company Secretary or where there is no Company Secretary, by any Director authorised by the Board **shall be circulated to all Directors within 15 days after these are signed.**

12 Inspection and Extracts of Minutes

The Directors, Company Secretary in Practice appointed by the company, the Secretarial Auditor, the Statutory Auditor, the Cost Auditor or the Internal Auditor of the company can inspect the Minutes as he may consider necessary for the performance of his duties. A **Member of the company is not entitled to inspect the Minutes of Meetings** of the Board.

Extracts of the Minutes shall be given **only after the Minutes have been duly entered in the Minutes Book**. However, certified copies of any Resolution passed at a Meeting may be issued even earlier, if the text of that Resolution had been placed at the Meeting.

13 Preservation of Minutes and other Records

Minutes of all Meetings shall be preserved permanently in physical or in electronic form with Timestamp and the Office copies of Notices, Agenda, Notes on Agenda and other related papers shall be preserved in good order in physical or in electronic form for as long as they remain current or for eight financial years, whichever is later and may be destroyed thereafter with the approval of the Board.

Minutes Books shall be kept in the custody of the Company Secretary, if there is no Company Secretary, Minutes shall be kept in the custody of any Director duly authorised for the purpose by the Board.

14 Disclosure

The Annual Report and Annual Return of a company shall disclose the number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director.
