

Secretarial Standard on Minutes (SS-5)

- ▶ Issued by The Institute of Company Secretaries of India (ICSI)
- ▶ Ensures proper documentation, accuracy, governance, and compliance in corporate meetings.

Introduction

- SS-5 provides standardized guidelines for recording, maintaining, and approving minutes.
- Ensures transparency, accuracy, and adherence to legal requirements.
- Covers minutes of Board Meetings, Committee Meetings, and General Meetings.
- Enhances corporate governance by providing a structured record of decisions.

Scope of SS-5

- **Applicable to:**

- ▶ - Board Meetings (BM) under Section 173 of the Companies Act, 2013.
- ▶ - General Meetings (AGM & EGM) under Sections 96 and 100.
- ▶ - Committee Meetings (Audit, CSR, NRC, Stakeholders, etc.) under various SEBI & company regulations.
- Aligns with SEBI (LODR) Regulations for listed companies and other corporate laws.
- Meetings of Debenture holders and Creditors.

Key Definitions

- **'Minutes'** - The official written record of discussions and decisions.
- **'Board Meeting'** - A formal meeting of the Board of Directors.
- **'General Meeting'** - Meetings of shareholders, including AGMs and EGMs.
- **'Committee Meeting'** - Meetings held by committees of the Board for governance.
- **'Resolutions'** - Formal decisions taken and recorded in the minutes.

Legal and Regulatory Framework

. Compliance with:

- ▶ - Companies Act, 2013.
- ▶ - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ▶ - ICSI Secretarial Standards (SS-1 & SS-2 related to meetings).
- ▶ - Other applicable regulatory provisions for corporate governance.
- ▶ • Non-compliance may lead to legal liabilities, penalties, and corporate governance failures.

Principles of Recording Minutes

- Minutes should be accurate, fair, and clear.
- Must contain essential details:
 - Meeting date, time, venue, and attendance.
 - Agenda items discussed and decisions taken.
 - Voting results, dissenting opinions, and resolutions passed.
- Should be free from ambiguity and legal risk exposure.

Maintenance of Minutes

- **Legal Requirements:**
 - Minutes must be **accurately recorded, signed, and securely stored.**
 - Entries must comply with **Companies Act and Secretarial Standards (SS-5)** to ensure authenticity.
- **Formats for Storage:**
 - **Physical Format:**
 - Bound registers with **serially numbered pages** to avoid tampering.
 - Handwritten or printed copies signed by the Chairman.
 - **Electronic Format:**
 - Maintained in a **secured, non-editable** format.
 - Access should be controlled, with **timestamped digital signatures** for authenticity.

- **Security and Accessibility:**
 - **Restricted Access:** Only authorized personnel should have access.
 - **Confidentiality Measures:** Implementation of password protection, encryption, and access logs.
 - **Retrievability:** Minutes should be easily retrievable for regulatory audits, litigation, and decision-making.
- **Retention Period:**
 - Must be preserved as per the statutory timeline set by the **Companies Act**.
 - Typically, Board Meeting minutes are retained **permanently**, while other minutes may have specified retention periods.
 - Disposal of records should be done **in compliance with applicable legal and regulatory guidelines**

Format & Structure of Minutes

- **Title and Nature of the Meeting:** Clearly specify if it is a **Board Meeting, General Meeting, Committee Meeting, or any other type of corporate meeting.**
- **Date, Time, and Venue of the Meeting:** Indicate the exact details of when and where the meeting took place, including whether it was held **physically, virtually, or in a hybrid mode.**
- **List of Attendees:** Provide a comprehensive list of individuals present, including **Directors, Members, Invitees, and Special Attendees**, along with their designations and roles in the meeting.
- **Mode of Meeting:** Specify whether the meeting was **physical, conducted via video conferencing, or a hybrid format**, ensuring compliance with virtual meeting regulations.
- **Agenda Items Discussed:** Each agenda point must be **clearly mentioned in a sequential order**, outlining key discussions and deliberations.

- **Resolutions Passed:** Clearly document the resolutions adopted, including details of the motion, proposer, seconder, and mode of voting (show of hands, poll, or electronic voting **Voting Details and Results:** Record the method used for voting and provide a summary of votes in favor, against, or abstained, along with any objections raised.
- **Action Points and Assignments:** Identify responsibilities assigned to specific individuals or departments, with timelines for execution and follow-ups.
- **Dissenting Views and Objections (if any):** Ensure that any disagreements or differing opinions expressed by members are duly recorded along with the rationale behind them.
- **Conclusion of the Meeting:** Provide a concise summary of final remarks, important decisions, and any follow-up actions to be taken.
- **Signatures and Authentication:** Minutes must be signed by the Chairman of the meeting, along with the date of signing, ensuring compliance with legal provisions.

Drafting, Approval, and Signing of Minutes

- Minutes should be entered into minutes book within 30 days from the date of meeting.
- Data of entry in minutes book should be recorded.
- Minutes should not be altered
- Within 15 days from the meeting, minutes should be circulated to other members for their comments, or as the case may be.
- Minutes should be signed by chairman in next meeting.
- Minutes of a General Meeting should be signed and dated by the Chairman of the meeting or in the event of death or inability of the Chairman, by any director duly authorized by the Board for the purpose, within thirty days of the General Meeting

Preservation & Inspection of Minutes

- Minutes must be maintained permanently in physical or electronic format.
- Shareholders can inspect minutes of general meetings upon request.
- Board meeting minutes remain confidential and are not accessible to shareholders.
- Where, under a scheme of arrangement, a company has been merged or amalgamated with another company, Minutes of all Meetings of the transferor company should be preserved permanently by the transferee company, notwithstanding the fact that the transferor company might have been dissolved.
- Office copies of Notices, Agenda, Notes on Agenda and other related papers of the transferor company should be preserved in good order for as long as they remain current or for ten years, whichever is later, and may be destroyed thereafter under the authority of the Board of the transferee company.

Alteration and Rectification of Minutes

- Once signed, minutes cannot be altered under any circumstances.
- Corrections should be documented separately with Board/Committee approval.
- Any modifications must be justified and properly recorded with timestamps.
- Ensures transparency and prevents unauthorized alterations.

Common Errors in Minute Writing

- Missing crucial details such as meeting date, attendees, and key discussions.
- Not documenting dissenting opinions or abstentions from voting.
- Using vague or legally ambiguous language.
- Failure to finalize and sign minutes within the statutory timeframe.
- Unauthorized alterations or incorrect filing leading to legal risks.

Best Practices for Effective Minutes

- Use standardized formats for consistency and legal compliance.
- Record discussions objectively without any bias.
- Ensure minutes are clear, concise, and legally sound.
- Conduct periodic internal audits to ensure proper record-keeping.
- Implement technology-driven solutions to streamline the process.

Conclusion

- SS-5 ensures uniformity and legal compliance in recording corporate decisions.
- Strengthens corporate governance by maintaining transparent and accurate records.
- Properly maintained minutes serve as key legal documents for reference and dispute resolution.
- Companies should adopt technology-driven solutions to enhance efficiency and security in minute-keeping.
- Strict adherence to SS-5 reduces legal risks and promotes ethical corporate practices.

*Thank
You*

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