



MCA's breather to transact business by virtual means

INSIGHTS

June 16, 2021

Dear Reader

In an important move and as a relief to the industry in transacting matters, MCA has allowed certain restricted board agenda items to be conducted by virtual means.

Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014, provided that matters listed below shall not be dealt with in any board meeting held through video conferencing (VC) or other audio-visual means (OAVM):

- Approval of the annual financial statements;
- Approval of the Board's report;
- Approval of the prospectus;
- Audit committee meetings for consideration of financial statement including consolidated financial statement, to be approved by the board under section 134; and
- Approval of the matter relating to amalgamation, merger, demerger, acquisition and takeover.

Considering the impact of COVID-19, temporarily relaxations were given to the companies wherein aforementioned matters were allowed to be conducted by VC or OAVM till June 30, 2021. **However, now the entire rule 4 has been omitted with effect from June 15, 2021, vide the Companies (Meetings of Board and its Powers) Amendment Rules, 2021 ([available here](#)).**

We trust you will find this an interesting read. For any queries or comments on this update, please feel free to contact us at insights@elp-in.com

Disclaimer: The information provided in this update is intended for informational purposes only and does not constitute legal opinion or advice. Readers are requested to seek formal legal advice prior to acting upon any of the information provided herein. This update is not intended to address the circumstances of any particular individual or corporate body. There can be no assurance that the judicial/quasi-judicial authorities may not take a position contrary to the views mentioned herein.



ECONOMIC
LAWS
PRACTICE
ADVOCATES & SOLICITORS

MUMBAI | NEW DELHI | BENGALURU | AHMEDABAD | PUNE | CHENNAI

[Email: Insights@elp-in.com](mailto:Insights@elp-in.com)