

Chapter - I "Management and Administration"

Part - II "General Meetings" (secs. 96 to 100)

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Annual General Meetings
(sec. 96, 97, 99)
✓

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Extra Ordinary General Meetings
(sec. 100, 98, 99)

(A) Annual General Meetings:

- Every Company (except OPC) shall hold its AGM in each year.
- First AGM: To be held within 9 months from the date of closing of first financial year.

Example:

Date of Inc.

First FY - 2 (4)

last date by which First AGM to be held

01.08.2021

01.08.21 - 31.03.22

31.12.2022

01.02.2022

01.02.22 - 31.03.23

31.12.2023

Note: If the first AGM is held within 9 months from the end of first FY, there is no need to hold AGM in the year of incorporation.

[Registrar has no discretion to allow any extension in case of first AGM]

- Subsequent AGM: - To be held within 15 months from date of last AGM.

- To be held within 6 months from date of closing of financial year.
- Registrar has discretion to grant extension up to 3 months for special reasons.

Example: For the year 2022;

Date of Last AGM	Date of closing of FY	Last date by which AGM is to be held
<u>15.09.2021</u>	<u>31.03.2022</u>	<u>15.12.2022 30.09.2022 31.12.2022</u>
18.05.2021	31.03.2022	<u>18.08.2022 30.09.2022 31.12.2022</u>
20.06.2021	31.03.2022	<u>20.09.2022 30.09.2022 31.12.2022</u>
05.07.2021	31.03.2022	<u>05.10.2022 30.09.2022 31.12.2022</u>

- Time, day and Place of AGM:

- AGM shall be called during business hours.
- AGM shall be called on any day which is not a national holiday.
- AGM shall be held either at registered office of the company or at some other place within the City, Town or village in which registered office of the company is situated.
- However, in case of unlisted companies, AGM may be held at any place in India if consent given by all members in writing; or by electronic mode.

Powers of Tribunal to call AGM (Sec. 97):

If any default is made in holding AGM u/s 96



Tribunal may, on application of any member



call or direct the calling of an AGM

and

give such consequential directions as it thinks expedient.

(Note: Directions given by Tribunal may include that one member present in the meeting in person or by proxy shall be deemed to constitute a meeting).

Penalty (Sec. 99): If any default is made in holding a meeting u/s 96, 97 or 98, or in complying with any directions of the Tribunal,



Company and every officer in default are punishable with fine upto ₹ 1 lakh and further fine upto ₹ 5,000 for every day during which default continues.

(B) Extra ordinary General Meetings (EGM - Secs. 100, 98, 99):

- ✓ Board may call an EGM of the Company, when it deems fit.
- ✓ EGM shall be held at any place within India.

Exception: Wholly owned subsidiary of a Company incorporated outside India.

Example: X Ltd. is a wholly owned subsidiary of Y Inc. (a company incorporated in USA).

EGM of X Ltd. may be held o/s India.

Calling of EGM on request of Members:

Specified no. of Members (holding $\frac{1}{10}$ th of Puc or $\frac{1}{10}$ th of Voting power)
shall submit a requisition for EGM

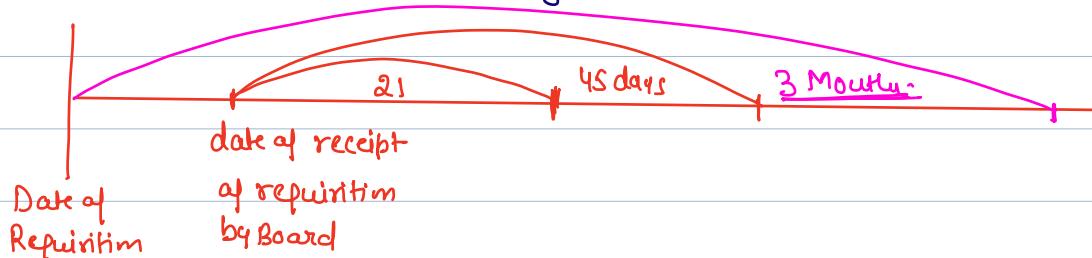


Board shall within 21 days of receipt of requisition proceed to call an EGM, to be held within 45 days of receipt of requisition.



If Board fails to call an EGM, it may be called by the requisitionists themselves - within 3 months of date of requisition

- in same manner in which a meeting is called and held by the Board.



Requirements of Requisition:

(i) Requisition shall specify the matters for consideration of which EGM is to be called.

(ii) Requisition shall be signed by all requisitionists.

(iii) Requisition shall be sent at the registered office of the company.

(iv) Requisition may be provided in writing or through electronic mode at least 21 days prior to proposed date of meeting.

✓ - Provisions related with notice of AGM called by requisitionists (Rule 17)

- To be covered from book -

- Power of Tribunal to call EGM (Sec. 98)] To be covered from book.
- Penalty for default (Sec. 99)]

H.W. : Do written practice of any two questions.

Chapter - 7 "Management and Administration"

Part - II - Conduct of General Meetings - Secs. 101 to 119

(ii) Notice of Meetings
(Secs. 101 and 102)

(V) Voting and the right
to demand a poll
(Sec. 106, 107, 108, 109)

(viii) Resolutions
(Sec. 114, 115,
116, 117)

(iii) Quorum (Sec. 103)

(vi) Postal Ballot

(ix) Minutes of

(iii) Chairman of Meetings
(Sec. 104)

(Sec. 110)

Meetings
(Sec. 118 and

(xvii) Circulation of Members

119)

(iv) Proxies and Representation
of President, Governors and
Corporates (Sec. 105, 112 and 113)

Resolution (Sec. 111)

(i) Notice of Meetings: (Sec. 101 and Sec. 102)

Length of Notice : - 21 clear days (14 clear days in case of
Sec. 8 co.)
[Sec. 101(1)]

- date of which notice is served and date
of meeting is to be excluded.
- notice shall be deemed to be served at
expiry of 48 hours of posting (if served
by post).

23 July. | $9 + 19 = 28 \text{ days}$. ✓ | 19.08.
 ① |
 [20.08.2022]

20.07. 2022

[21 July | 22 July]

Date of dispersion. Post.

(Date of AGM)

21 clear days -

[19 + 2]

28 | 29.

[27.07.2022]

Meeting called on shorter Notice:

↓
AGM

↓
Other General Meetings

Consent required of

> 95% of Members

Entitled to vote at the

meeting

(No. of Members)

Company having

Share Capital.

↓

Consent required of

majority no. of members

holding > 95% of

PUSC that gives a

right to vote.

Company not having

Share Capital.

↓

Consent required

of Members

having > 95% of

Total Voting power

Modes of serving notice: Notice may be served either in writing or through Electronic mode in prescribed manner. (Rule 18)

Content of Notice : - Place, date, day and hour of the meeting.

[Sec. 101(2)] - Statement of business to be transacted at such meeting.

To whom notice is to be served:

[Sec. 101(3)]

- Every member of the company,
- legal representative of deceased member,
- assignee of insolvent member,
- Every director of the company,
- Every auditor of the company.

Omission to give notice : Proceedings of the meeting shall remain

[Sec. 101(4)] valid in case of :

- (a) accidental omission to give notice;
- (b) non-receipt of notice by any member.

Statement to be annexed to notice [sec.102]:

For every item of "special business", to be transacted at general meeting of the company, a statement shall be annexed to notice, setting out the following:

(a) Nature of Concern or interest, if any, in respect of each item of business, of:

- Every director and manager, if any,
- Every other KMP; and
- Relatives of above mentioned persons.

(for example - Investment decision in a J.V in which director's son is having substantial stake)

(b) Other relevant information and facts to enable the members to understand items of business.

Special Business:

(a) In case of AGM: All items of business, except:

- (i) Consideration of financial statements and Board's Report.
- (ii) Declaration of Dividend.
- (iii) Appointment of directors in place of retiring ones.
- (iv) Appointment of auditors and fixing their remuneration.

(b) In case of Other general meetings: All business items to be considered as special business.

(iii) Quorum (Sec. 103):

(a) <u>Public Co.:</u>	No. of Members as on date of Meeting	Quorum
	- ≤ 1000	5 <u>Members personally present</u> * [*]
	$> 1000 - \leq 5000$	15 " " "
	$> 5,000$	30 " " "

(b) Private Company: 2 Members personally present

* Members entitled to vote on the resolutions

* Articles may provide a larger quorum than prescribed by the Act.

(c) Other provisions:

Quorum is to be present within half an hour of the meeting.

↓
Present
↓
O.K.

↓
Not present

[Quorum shall also be present, when any business is to be transacted at meeting]

↓
Meeting was called by requisitionists
↓
Meeting was not called by requisitionists

Ex: Time of Meeting : 11.00 a.m.

[Total] No. of Members = 6 (valid Quorum)

↓
by

1/3 100 by requisitionists

Till 1.00 p.m. 2 agenda items discussed

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After 1.00 p.m. 2 members leave the meeting and remaining agenda items were decided by remaining 4 Members.

Meeting stands Cancelled.

Decisions taken by 4 Members are not valid.

Meeting stands adjourned to same → Company shall give day in next week at same time at least 3 days notice
And place or such other date,
time and place as Board may determine.

either individually or through advertisement in newspapers (1+1)

Quorum not present within half an hour in adjourned meeting.

Members present shall form the quorum.

(iii) Chairman of the meeting (Sec. 104): - To be covered from book -

(iv) Proxies, Representation of President, Governors and Body Corporates:

(Sec. 105)

(Sec. 112)

(Sec. 113)

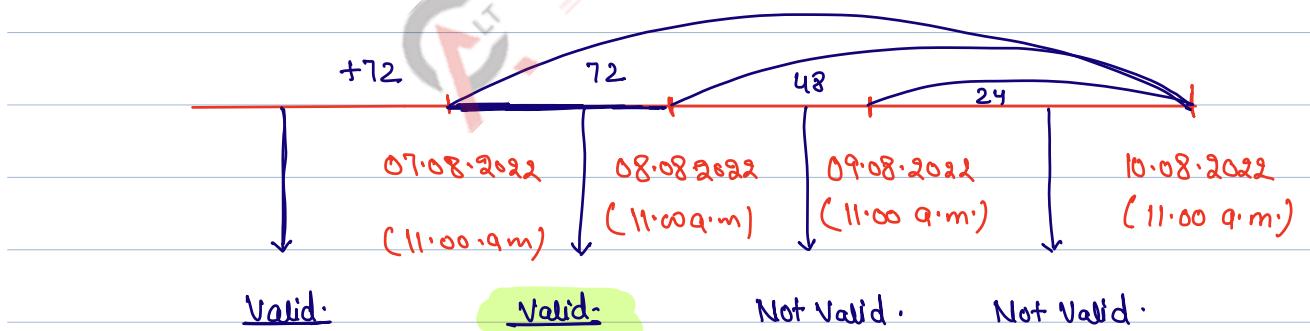
(A) Proxies (Sec. 105):

- A proxy is an instrument in writing, executed by a member authorising another person to attend a meeting and to vote thereat on his behalf and in his absence.
- Any member who is entitled to attend and vote at the meeting shall be entitled to appoint proxy.

- Proxies shall not have the right to speak at such meetings and shall not be entitled to vote except on a poll.
- In case of Section 8 Companies, proxies shall be members of the Company.
- A proxy can represent upto 50 Members (aggregate share holding \leq 10% of total share capital). However, a proxy appointed by a member holding $>$ 10% of total share capital shall not act as proxy for other person.
- Appointment of proxy shall be in Form No. MGT-11.

Ans - A proxy received 48 hours before meeting will be valid even if Articles provide for a longer period.

Ex. Articles provides that proxies shall be deposited 72 hr. before the meeting.



- Inspection of proxy forms is allowed to a member during the period beginning 24 hr. before the time fixed for commencement of meeting and ending with conclusion of meeting, during the business hours, provided not less than 3 days notice given to Company