

SS – 2

SECRETARIAL STANDARD ON GENERAL MEETINGS



The Institute of
Company Secretaries of India

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

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PREFACE TO THE SECRETARIAL STANDARDS

Secretarial Standards Board and its Objectives

The Institute of Company Secretaries of India, (ICSI), recognising the need for integration, harmonisation and standardisation of diverse secretarial practices, has constituted the Secretarial Standards Board (SSB) with the objective of formulating Secretarial Standards.

Scope and Functions of the Secretarial Standards Board

The scope of SSB is to identify the areas in which Secretarial Standards need to be issued by the Council of ICSI and to formulate such Standards, taking into consideration the applicable laws, business environment and best secretarial practices. SSB will also clarify issues arising out of such Standards and issue guidance notes for the benefit of members of ICSI, corporates and other users.

The main functions of SSB are :

- (i) Formulating Secretarial Standards;
- (ii) Clarifying issues arising out of the Secretarial Standards;
- (iii) Issuing Guidance Notes; and
- (iv) Reviewing and updating the Secretarial Standards / Guidance Notes at periodic intervals.

Need for Secretarial Standards

Companies follow diverse secretarial practices and, therefore, there is a need to integrate, harmonise and standardise such practices so as to promote uniformity and consistency.

Scope of Secretarial Standards

The Secretarial Standards do not seek to substitute or supplant any existing laws or the rules and regulations framed thereunder but, in fact, seek to supplement such laws, rules and regulations.

Secretarial Standards that are issued will be in conformity with the provisions of the applicable laws. However, if, due to subsequent changes in the law, a particular Standard or any part thereof becomes inconsistent with such law, the provisions of the said law shall prevail.

ICSI will endeavour to persuade the Government and appropriate authorities to enforce these Standards, to facilitate the adoption thereof by industry and corporate entities in order to achieve the desired objective of standardisation of secretarial practices.

Procedure for issuing Secretarial Standards

The following procedure shall be adopted for formulating and issuing Secretarial Standards:

1. SSB, in consultation with the Council, shall determine the areas in which Secretarial Standards need to be formulated and the priority in regard to the selection thereof.
2. In the preparation of Secretarial Standards, SSB may constitute Working Groups to formulate preliminary drafts of the proposed Standards.
3. The preliminary draft of the Secretarial Standard prepared by the Working Group shall be circulated amongst the members of SSB for discussion and shall be modified appropriately, if so required.
4. The preliminary draft will then be circulated to the members of the Central Council as well as to Chairmen of Regional Councils/ Chapters of ICSI, various professional bodies, Chambers of Commerce, regulatory authorities such as the Department of Company Affairs, the Department of Economic Affairs, the Securities and Exchange Board of India, Reserve Bank of India, Department of Public Enterprises and to such other bodies/organisations as may be decided by SSB, for ascertaining their views, specifying a time-frame within which such views, comments and suggestions are to be received.

A meeting of SSB with the representatives of such bodies / organisations may then be held, if considered necessary, to examine and deliberate on their suggestions.

5. On the basis of the preliminary draft and the discussion with the bodies / organisations referred to in 4 above, an Exposure Draft will be prepared and published in the "Chartered Secretary", the journal of ICSI, and also put on the Website of ICSI to elicit comments from members and the public at large.
6. The draft of the proposed Secretarial Standard will generally include the following basic points:
 - (a) Concepts and fundamental principles relating to the subject of the Standard;
 - (b) Definitions and explanations of terms used in the Standard;
 - (c) Objectives of issuing the Standard;
 - (d) Disclosure requirements; and
 - (e) Date from which the Standard will be effective.

7. After taking into consideration the comments received, the draft of the proposed Secretarial Standard will be finalised by SSB and submitted to the Council of ICSI.
8. The Council will consider the final draft of the proposed Secretarial Standard and finalise the same in consultation with SSB. The Secretarial Standard on the relevant subject will then be issued under the authority of the Council.

Compliance with Secretarial Standards

In the initial years, the Secretarial Standards will be recommendatory. The Institute will request the Government and other appropriate authorities to enforce these Standards and will endeavour to educate the users about the utility and need for compliance with these Standards. The Standards would be made mandatory thereafter.

SECRETARIAL STANDARD

ON

GENERAL MEETINGS

The following is the text of the Secretarial Standard-2 (SS-2), issued by the Council of the Institute of Company Secretaries of India, on "General Meetings".

In the initial years, adherence by a company to this Secretarial Standard will be recommendatory.

(In this Secretarial Standard, the Standard portions have been set in bold type. These should be read in the context of the background material which has been set in normal type, and in the context of the 'Preface to the Secretarial Standards').

INTRODUCTION

This Standard seeks to prescribe a set of principles for the convening and conduct of General Meetings and matters related thereto.

The decision-making powers of a company are vested in its Members and the Board of Directors (the Board). Such powers are exercisable through Meetings of the Members and the Board respectively. Except where the law expressly provides that certain powers of a company are to be exercised only by the company in General Meeting, the Board is entitled to exercise all the powers of the company. Although Members acting through the forum of a General Meeting exercise ultimate check over a company, they should not interfere with the exercise by the Board of the powers which are vested in the Board.

Every company is required to hold, every year, a Meeting of its Members called the Annual General Meeting and may also hold any other meeting, called an Extra-Ordinary General Meeting, as and when required or on the requisition of Members. The business to be transacted at an Annual General Meeting may consist of items of ordinary business as well as special business. The items of ordinary business specifically required to be transacted at an Annual General Meeting should not be transacted at any other General Meeting.

Every public company having a share capital is also required to hold a Statutory Meeting.

If a company defaults in holding its Annual General Meeting in any year, any Member of the company has a statutory right to approach the prescribed authority to direct the company to hold the Meeting.

A company may also hold Meetings of its Members, or class of Members or debenture holders or creditors under the directions of the Court or the Company Law Board or any other prescribed authority, and any such Meeting shall be governed by the Articles or by the rules, regulations and directions prescribed for the conduct of any such Meeting.

SCOPE

The principles enunciated in this Standard for General Meetings may also be applicable to class meetings of Members, debenture holders and creditors. These principles may, however, not be applicable to any meeting convened on the directions of the Court or the Company Law Board or any other prescribed authority unless the directions themselves so prescribe.

This Standard does not deal with passing of resolutions by postal ballot.

DEFINITIONS

The following terms are used in this Standard with the meaning specified:

"Act" means the Companies Act, 1956 (1 of 1956), or any statutory modification or re-enactment thereof and includes any Rules and Regulations framed thereunder.

"Articles" means the Articles of Association of a company, as originally framed or as altered from time to time, including, where they apply, the Regulations contained in the Tables in Schedule I to the Act.

"Board" or "Board of Directors" means the Board of Directors of a company.

"Chairman" means the Chairman of the Board or the Chairman appointed or elected for a Meeting.

"Member" means any person who agrees, either by subscribing to the Memorandum of Association of the company or by applying in writing, to become a Member of the company and whose name is entered either in the Register of Members of the company or in the records of the depository as a beneficial owner in respect of the equity shares of the company held by him.

"Meeting" or "General Meeting" or "Extra-Ordinary General Meeting" means a Meeting of Members duly convened by the Board or on the requisition of Members.

"Ordinary Business" means business to be transacted at an Annual General Meeting relating to (i) the consideration of the accounts, balance sheet and the reports of the Board of Directors and Auditors; (ii) the declaration of a

dividend; (iii) the appointment of Directors in the place of those retiring; and (iv) the appointment of, and the fixing of the remuneration of, the Auditors.

"Ordinary Resolution" means a Resolution when, at a General Meeting of which the Notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll) in favour of the Resolution (including the casting vote, if any, of the Chairman) exceed the votes, if any, cast against the Resolution by Members entitled to vote thereon either in person or, where proxies are allowed, by Proxy.

"Proxy" means an instrument in writing signed by a Member, authorizing another person, whether a Member or not, to attend and vote on his behalf at a Meeting and also means the person so appointed by a Member.

"Quorum" means the minimum number of Members whose presence is necessary for a Meeting.

"Special Business" means business other than the Ordinary Business to be transacted at an Annual General Meeting and all business to be transacted at any other General Meeting.

"Special Resolution" means a Resolution in respect of which (a) the intention to propose the Resolution as a Special Resolution has been duly specified in the Notice calling the Meeting or other intimation of the Resolution has been given to the Members; (b) the Notice required under the Act has been duly given of the Meeting; and (c) the votes cast in favour of the Resolution (whether on a show of hands or on a poll) are not less than three times the number of the votes, if any, cast against the Resolution by Members entitled to vote thereon either in person or, where proxies are allowed, by Proxy.

Words and expressions used herein and not defined shall have the meaning respectively assigned to them under the Act.

SECRETARIAL STANDARDS

1. Convening a Meeting

1.1 Authority

A General Meeting should be convened on the authority of the Board.

The Board of its own accord or on the requisition of Members should, either at a Meeting of the Board or by passing a resolution by circulation, convene or authorize the convening of a General Meeting.

If, on a requisition having been made in this behalf, the Board fails to call a Meeting, the requisitionists may themselves call the Meeting in

the same manner, as nearly as possible, as that in which Meetings are to be called by the Board.

1.2 Notice

1.2.1 Notice in writing of every Meeting should be given to every Member of the company. Such Notice should also be given to the Directors and Auditors of the company, to the Practising Company Secretary who has given the Compliance Certificate, to Debenture Trustees, if any, and, wherever applicable or so required, to other specified recipients.

Notice should be given to all persons entitled to receive such Notice, at the address provided by them in India or outside India. In the case of joint-shareholders, the Notice should be given to the person whose name appears first in the Register of Members or in the records of the depository, as the case may be.

On receipt of intimation of death of a Member, the Notice of a Meeting should be sent to the surviving first joint-holder or to the nominee of the sole shareholder or to the person entitled to a share in consequence of the death of the Member. In case of insolvency of a Member, the Notice should be sent to the assignees of the insolvent or to the person entitled to a share in consequence of the insolvency of the Member.

Notice should be given by hand or by post and should also be placed on the website, if any, of the company.

1.2.2 The Notice should specify the day, date, time and venue of the Meeting with complete address.

Meetings should commence during business hours, on a working day, at the Registered Office of the company or at some other place within the city, town or village in which the Registered Office is situated.

If the venue of the Meeting is not a prominent place, a site map of the venue should be enclosed with the Notice.

The Notice should prominently contain a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that, except in the case of a private company and a company not having a share capital where the Articles may provide otherwise, a Proxy need not be a Member.

1.2.3 The Notice should clearly specify the nature of the Meeting and the business to be transacted thereat. In respect of items of Special Business, each such item should be in the form of a Resolution and should be accompanied by an explanatory statement which should set out all such facts as would enable a Member to take an informed decision on the matter. In respect of items of Ordinary Business, Resolutions are not required to be specified in the Notice except where the appointment of Auditors has to be made by a Special Resolution, or where the Auditors or Directors to be appointed are other than the retiring Auditors or Directors, as the case may be.

All Resolutions and the explanatory statement should be framed in simple and intelligible language so as to enable Members to understand the meaning, scope and implications of the proposed items of business.

The nature of the concern or interest, if any, of Directors in any item of business or in a proposed Resolution should be disclosed in the explanatory statement, along with the extent of such concern or interest where the item relates to transactions with any other company.

Where reference is made to any document, contract, agreement or the Memorandum of Association and Articles, the relevant explanatory statement should state that such documents are available for inspection and such documents should be so made available for inspection for not less than two hours during business hours at the Registered Office of the company and copies thereof should also be made available at the head/corporate office of the company, if such office is situated elsewhere, and also at the Meeting.

In all cases relating to the appointment or re-appointment of Directors, details of each such Director should be given, including age, qualifications, experience, date of first appointment on the Board, shareholding in the company, relationship with other Directors of the company, other Directorships, membership/Chairmanship of Committees of other Boards and the number of Meetings of the Board attended during the year.

In the case of appointment/re-appointment or varying of the terms of remuneration of managerial personnel of the

company, their personal resume, terms and conditions of appointment/re-appointment including full details of remuneration sought to be paid and the remuneration last drawn by such person should be stated in the explanatory statement.

1.2.4 Notice and accompanying documents should be sent at least twenty-five days in advance of the Meeting.

Where the Notice also is to be published in a newspaper, it should appear at least twenty-one days before the date of the Meeting and such Notice need not be accompanied by an explanatory statement.

1.2.5 Notice and accompanying documents may be given at a shorter period of time if consent in writing, in the prescribed form, is given thereto by, in the case of an Annual General Meeting, all the Members entitled to vote at the Meeting and, in the case of any other Meeting, Members holding ninety-five percent of the paid-up share capital carrying voting right or, where the company has no share capital, ninety-five percent of the total voting power.

Consent for shorter Notice may be given before or at the Meeting.

1.2.6 In the case of listed companies with more than 5,000 Members, an abridged version of the Notice, listing the items of business and the day, date, time and venue of the Meeting, should be published in a newspaper having a wide circulation within such States of India where more than 1,000 Members reside.

1.2.7 No business should be transacted at a Meeting if Notice in accordance with this Standard has not been given.

1.2.8 No items of business other than those specified in the Notice should be taken up for consideration at the Meeting.

No Resolution shall be valid if it is passed in respect of an item of business not contained in the Notice convening the Meeting.

Where Special Notice is required of any Resolution and Notice of the intention to move such Resolution is received by the

company at least fourteen days before the Meeting, such item of business should be placed for consideration at the Meeting after giving Notice of the Resolution to Members in the manner specified.

Any amendment to the Notice, including the addition of any item of business, can be issued provided the notice of amendment is sent to all persons entitled to receive the Notice of the Meeting and is sent within the time limit prescribed for giving of the original Notice.

1.2.9 The Notice should be accompanied by an attendance slip and a Proxy form with clear instructions for filling, stamping, signing and depositing the Proxy form.

1.2.10 A Meeting convened upon due Notice should not be postponed or cancelled.

If, for reasons beyond the control of the Board, a Meeting cannot be held on the date originally fixed, the Board may defer the Meeting. The Meeting should be reconvened after giving not less than seven days fresh Notice published in a newspaper having a wide circulation within such States of India where more than 1,000 Members reside.

2. Frequency of Meetings

2.1 Statutory Meeting

Every public company having a share capital and every public company limited by guarantee and having a share capital should, after one month but not later than six months from the date on which it is entitled to commence business, hold a Meeting called the Statutory Meeting.

2.2 Annual General Meeting

Every company should, in each year, hold a Meeting called the Annual General Meeting.

Every company should hold its first Annual General Meeting within eighteen months of the date of incorporation and thereafter in each year within six months of the close of the financial year, with an interval of not more than fifteen months between two successive Meetings. The aforesaid period of six months or interval of fifteen months may be extended by a period not exceeding three months with the prior approval of the Registrar of Companies.

2.3 Extra-Ordinary General Meeting

Items of business of an urgent nature which need to be transacted before the next Annual General Meeting should be considered at an Extra-Ordinary General Meeting.

3. Quorum

Quorum should be present throughout the Meeting.

A minimum of five Members personally present and entitled to vote, in the case of a public company, and two Members personally present and entitled to vote, in the case of a private company, shall be the Quorum for a General Meeting. Where the requirements for Quorum as prescribed in the Articles are more stringent, the Quorum should conform to such requirements.

A Meeting must be constituted of at least two individuals present in person. The Quorum requirement of five Members in the case of a public company will be fulfilled where a person acting as an authorized representative of five bodies corporate is present in the Meeting along with another Member personally present. However, if there is no such other Member personally present, the Quorum requirement will not be fulfilled.

Since Members need to be personally present at a Meeting to constitute the Quorum, Proxies are to be excluded for determining the Quorum. However, a duly authorized representative of a body corporate or the representative of the President of India or the Governor of a State is deemed to be a Member personally present and enjoys all the rights of a Member present in person.

4. Presence of Directors and Auditors

4.1 Directors

4.1.1 The Directors of the company should attend all Meetings of the company, particularly the Annual General Meeting, and should be seated with the Chairman.

If any Director is unable to attend the Meeting for reasons beyond his control, the Chairman should explain such absence at the Meeting.

4.1.2 The Chairman of the Audit Committee, where such a Committee exists, should attend the Annual General Meeting.

4.2 Auditors

While the Auditors of the company are entitled to attend the Annual General Meeting, the Auditors, represented by the proprietor or a partner, as the case may be, should attend the Meeting if there are any reservations, qualifications or adverse remarks in the Auditor's Report.

4.3 Practising Company Secretary

The Practising Company Secretary who has given the Compliance Certificate should attend the Annual General Meeting.

5. Chairman

5.1 Appointment

5.1.1 Where the Articles so provide, the Chairman of the Board should take the chair and conduct the Meeting. If there is no Chairman or if he is not present within fifteen minutes after the time appointed for holding the Meeting, or if he is unable to act as Chairman of the Meeting, the Directors present should elect one of themselves to be the Chairman of the Meeting. If the Directors are unable to do so or if no Director is willing to take the chair, the Members present shall elect one of themselves to be the Chairman of the Meeting.

5.1.2 In the absence of any express provision contained in the Articles, the Members personally present at the Meeting shall elect one of themselves to be the Chairman of the Meeting.

The Chairman should ensure that the Meeting is duly constituted in accordance with the Act and the Articles or any other applicable laws, before it proceeds to transact business. The Chairman should then conduct the Meeting in a fair and impartial manner and ensure that only such business as has been set out in the Notice is transacted.

5.2 The Chairman should explain the objective and implications of each Resolution before the Resolution is put to vote.

5.3 The Chairman should provide a fair opportunity to Members who are entitled to vote to raise questions and/or offer comments and ensure that these are answered.

5.4 The Chairman should not propose any Resolution in which he is deemed to be concerned or interested nor should he participate in the discussion or vote on any such Resolution.

If the Chairman is interested in any item of business, he should entrust the conduct of the proceedings in respect of such item to the Vice-Chairman, if there is one, or to any dis-interested Director or to a Member and resume the Chair after that item of business has been transacted. A person who so takes the Chair can exercise his casting vote in the event that a vote on such item of business results in a tie.

6. Voting

6.1 Proposing a Resolution

6.1.1 Every Resolution should be proposed by a Member and seconded by another Member entitled to vote thereon.

Every Member holding equity shares and, in certain events as specified in the Act, every Member holding preference shares, shall be entitled to vote on a Resolution.

6.1.2 A Director should not propose any Resolution in which he is deemed to be concerned or interested nor should he participate in the discussion or vote on any such Resolution.

6.2 On Show of Hands

Every Resolution should, in the first instance, be put to vote on a show of hands.

Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him. Unless the Articles otherwise provide, a Proxy cannot vote on a show of hands.

6.3 By Poll

A Member present in person or by Proxy shall, on a poll, have votes in proportion to his share of the paid up equity capital of the company, subject to differential rights as to voting, if any, attached to certain shares as stipulated in the Articles or by the terms of issue of such shares.

While a Proxy cannot speak at the Meeting, he has the right to demand or join in the demand for a poll.

6.4 Casting Vote

If the Articles so provide, the Chairman shall have a casting vote.

7. Proxies

7.1 Notice of Right to Appoint

Every Notice calling a Meeting of a company which has a share capital or the Articles of which provide for voting at a Meeting by Proxy, should prominently contain a statement that a Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and that, unless the Articles provide otherwise, a Proxy need not be a Member.

7.2 Form of Proxy

7.2.1 An instrument appointing a Proxy should be either in the Form specified in the Articles or in any of the Forms set out in the Act.

If the Articles do not provide a form for 'two way voting' as per the format set out in *Annexure 'A'*, the Articles should be amended so as to provide accordingly.

7.2.2 An instrument of Proxy duly filled, stamped and signed, is valid only for the Meeting to which it relates including any adjournment thereof.

7.3 Stamping of Proxies

An instrument of Proxy is valid only if it is properly stamped. Unstamped or inadequately stamped Proxies or Proxies upon which the stamps have not been cancelled are invalid.

7.4 Execution of Proxies

7.4.1 In addition to the Member appointing a Proxy, the Proxy-holder also should sign the instrument of Proxy.

7.4.2 An authorised representative of a body corporate or of the President of India or of the Governor of a State, holding shares in a company, may appoint a Proxy under his signature.

7.5 Proxies in Blank and Incomplete Proxies

7.5.1 A proxy form which does not state the name of the Proxy should not be considered valid.

7.5.2 If an undated Proxy, which is otherwise complete in all respects, is lodged within the prescribed time limit, it should be considered valid.

If a company receives multiple Proxies for the same holdings of a Member, which are either not dated or bear the same date without specific mention of time, all such multiple Proxies should be treated as invalid.

7.6 Deposit of Proxies

7.6.1 Proxies should either be deposited with the company in person or received through post not later than forty-eight hours before the commencement of the Meeting at which they are to be used and a Proxy should be accepted even on a holiday if the last date by which it could be accepted is a holiday.

Proxies may be accepted at a shorter period, being not less than twenty-four hours before the commencement of the Meeting, if the Articles so provide.

7.6.2 A Member who has not appointed a Proxy to attend and vote on his behalf at a Meeting may appoint a Proxy for any adjournment of such Meeting, not later than forty-eight hours before the time of such adjourned Meeting.

7.7 Revocation of Proxies

7.7.1 If a Proxy had been appointed for the original Meeting and such Meeting is adjourned, any Proxy given for the adjourned Meeting revokes the Proxy given for the original Meeting.

7.7.2 A Proxy later in date revokes any Proxy/Proxies dated prior to such Proxy.

7.7.3 A Proxy is valid until written notice of revocation has been received by the company before the commencement of the Meeting or adjourned Meeting, as the case may be.

A Proxy need not be informed of the revocation of the Proxy issued by the Member. Even an undated letter of revocation of Proxy should be accepted. Unless the Articles provide otherwise, a notice of revocation should be signed by the same person who had signed the Proxy.

7.8 *Inspection of Proxies*

- 7.8.1 Requisitions, if any, for inspection of Proxies should be received in writing from a Member at least three days before the commencement of the Meeting.**
- 7.8.2 Proxies should be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.**
- 7.8.3 A fresh requisition, conforming to the above requirements, should be given for inspection of Proxies in case the original Meeting is adjourned.**

7.9 *Record of Proxies*

- 7.9.1 All Proxies received by the company should be recorded chronologically in a register kept for that purpose.**
- 7.9.2 In case any Proxy entered in the register is rejected, the reasons therefor should be entered in the remarks column.**

8. *Conduct of Poll*

- 8.1 When a poll is demanded on any Resolution, the Chairman should get the validity of the demand verified and should order the poll forthwith if it is demanded on the question of appointment of the Chairman or adjournment of the Meeting and, in any other case, within forty-eight hours of the demand for poll.**
- 8.2 In the case of a poll which is not taken forthwith, the Chairman should announce at the Meeting the date, venue and time of taking the poll to enable Members to have adequate and convenient opportunity to exercise their vote. The Chairman should also announce that any Member who so desires may be present at the time of counting of votes.**

A Member who did not attend the Meeting can participate and vote in the poll.

- 8.3 Each Resolution on which a poll is demanded should be put to vote separately.**

One ballot paper may be used for two or more items for which poll has been ordered.

- 8.4 The Chairman should appoint two scrutineers to ensure that the scrutiny of the votes cast on a poll is done fairly,**

accurately and properly. At least one of the two scrutineers should be a Member who is present at the Meeting and is not an officer or employee of the company.

Based on the scrutineers' report, the Chairman should declare the result of the poll, with details of the number of votes cast for and against the Resolution and the final result as to whether the Resolution has been carried or not.

- 8.5 The result of the poll should be displayed on the notice board of the company at its Registered Office and its Corporate/Head Office, if such office is situated elsewhere, and also placed on the website, if any, of the company. In the case of listed companies with more than 5,000 Members, the result of the poll should also be published in a leading newspaper circulating in the neighbourhood of the Registered Office of the company.**

9. Withdrawal of Resolutions

Resolutions for items of business which are likely to affect the market price of the securities of the company should not be withdrawn.

10. Rescinding of Resolutions

A Resolution passed at a Meeting should not be rescinded other than by a Resolution passed at a subsequent Meeting.

11. Modifications to Resolutions

Modifications to any Resolution which do not change the purpose of the Resolution materially may be proposed, seconded and adopted by the requisite majority at the Meeting and, thereafter, the amended Resolution should be duly proposed, seconded and put to vote.

No amendment to any proposed Resolution should be made if it in any way alters the substance of the Resolution as set out in the Notice. Grammatical and clerical errors may be corrected or words translated into more formal language and, if the precise text of the Resolution was not included in the Notice, it may be corrected into a formal Resolution, provided there is no departure from the substance as stated in the Notice.

12. Reading of Report/Certificate

12.1 The entire Auditor's Report including the Statement pursuant to the Manufacturing and Other Companies Auditor's Report Order should be read at the Annual General Meeting.

12.2 The Compliance Certificate given by the Practising Company Secretary and attached to the Directors' Report should be read at the Annual General Meeting.

13. Distribution of Gifts

No gifts, gift coupons, or cash in lieu of gifts should be distributed to Members at or in connection with the Meeting.

14. Adjournment of Meetings

14.1 A duly convened Meeting should not be adjourned arbitrarily by the Chairman. The Chairman may adjourn a Meeting with the consent of the Members and shall adjourn a Meeting if so decided by the Members.

Meetings may be adjourned for want of requisite Quorum. The Chairman may adjourn a Meeting in the event of disorder or other like causes, where it becomes impossible to conduct the Meeting and complete its business.

14.2 If a Meeting is adjourned sine-die or for a period of thirty days or more, a Notice of the adjourned Meeting should be given in accordance with the provisions contained hereinabove relating to Notice.

14.3 If a Meeting is adjourned for a period of less than thirty days, in the case of listed companies with more than 5,000 Members, Notice thereof specifying the day, date, time and venue of the Meeting should be published immediately in a newspaper having a wide circulation within such States of India where more than 1,000 Members reside.

14.4 If a Meeting, other than a requisitioned Meeting, stands adjourned for want of Quorum, the adjourned Meeting should be held on the same day, in the next week at the same time and place or on such other day and at such other time and place as may be determined by the Board. In the case of listed companies with more than 5,000 Members, Notice thereof, specifying the day, date, time and venue of the Meeting, should be

published immediately in a newspaper having a wide circulation within such States of India where more than 1,000 Members reside.

If, at an adjourned Meeting, a Quorum is not present within half an hour from the time appointed, the Members present, being not less than two in number, will constitute the Quorum.

14.5 If, within half an hour from the time appointed for holding a requisitioned Meeting, a Quorum is not present, the Meeting shall stand dissolved.

14.6 At an adjourned Meeting, only the unfinished business of the original Meeting should be considered.

Any Resolution passed at an adjourned Meeting would be deemed to have been passed on the date of the adjourned Meeting and not on any earlier date.

15. Minutes

15.1 Minutes should contain a summary of the proceedings of the Meeting, recorded fairly, correctly, completely and in unambiguous terms, and should be written in third person and past tense.

15.2 The Minutes should be entered and signed within thirty days from the conclusion of the Meeting.

In case a Meeting is adjourned, Minutes should be entered in respect of the original Meeting as well as the adjourned Meeting within thirty days from the dates of the respective Meetings.

The pages of the Minutes Book should be consecutively numbered. The Minutes should be dated and signed by the Chairman of the Meeting within a period of thirty days or, in the event of death or inability of the Chairman within that period, by a Director who was present in the Meeting and authorized by the Board for the purpose.

15.3 The Chairman should initial each page of the Minutes, sign the last page of the Minutes and append to such signature the date on which he has signed the Minutes.

15.4 Minutes, once entered in the Minutes Book, should not be altered. However, minor errors may be corrected and initialled by the Chairman even after the Minutes have been signed.

- 15.5 Minutes should not be pasted or attached to the Minutes Book.**
- 15.6 Minutes, if maintained in loose-leaf form, should be bound at reasonable intervals.**

16. Recording in the Minutes

- 16.1 The name of the Chairman of the Meeting and the names of Directors including the Chairman of the Audit Committee, if any, present at the Meeting should be recorded.**
- 16.2 The number of Members required to form the Quorum and the fact that the required Quorum was present should be recorded.**
- 16.3 The number of Members present in person and through representatives and Proxies should be recorded.**
- 16.4 The presence, at the Annual General Meeting, of the Auditor and the Practising Company Secretary who has given the Compliance Certificate, should be recorded.**
- 16.5 If the Chairman was interested in an item of business at the Meeting, the fact that he vacated the Chair and requested the Vice-Chairman, if any, or some other Director or Member to Chair the Meeting to transact such business, should be recorded.**

17. Preservation of Minutes and other Records

- 17.1 Minutes Book to record Minutes of Meetings should be kept separately from those books used to record Minutes of any other meetings and should be kept at the Registered Office of the company.**
- 17.2 The Minutes of all Meetings should be preserved permanently.**

Minutes can be inspected by any Member. The Auditor or Cost Auditor of the company or Practising Company Secretary appointed by the company can also inspect the Minutes Book in the course of audit or certification.

- 17.3 Where, under a scheme of arrangement, a company has been merged or amalgamated with another company, the Minutes of all Meetings of the transferor company should be preserved permanently by the transferee**

company, notwithstanding the fact that the identity of the transferor company may not survive such arrangement.

- 17.4 Office copies of Notices and supporting papers relating to the Notice 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, on the authority of the Board.**

18. Disclosure

The Annual Report of a company should disclose particulars of all Meetings held during the last three years.

EFFECTIVE DATE

This Standard shall come into effect from 1st May 2002.

FORM OF PROXY

Name of the Company _____

Registered Office _____

I/We _____ of _____ being a member of the above-named Company, hereby appoint the following as my/our Proxy to attend and vote {on a poll}* for me/us and on my/our behalf at the _____ Annual General Meeting/General Meeting of the Company, to be held on _____, _____, _____ at _____ a.m./p.m. and at any adjournment thereof :

1. Mr./Ms. _____, (signature), or failing him -

2. Mr./Ms. _____, (signature), or failing him -

3. Mr./Ms. _____, (signature).

** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below :

Resolutions	For	Against
-------------	-----	---------

Resolution No. 1

[To specify]

Resolution No. 2

[To specify]

Resolution No. 3

[To specify]

Resolution No. 4

[To specify]

Affix Revenue Stamp

Number of Shares held

Signed this _____ day of _____ 2____.

Reference Folio No. / DP ID & Client ID

Signature(s) of Member(s)

(1).....

(2).....

(3).....

- * Delete if the Articles give a proxy-holder the right to vote even on a show of hands.

Notes:

1. The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. This form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
6. **This is optional. Please put a tick mark (☐) in the appropriate column against the Resolutions indicated in the Box. If a member leaves the 'For' or 'Against' column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular Resolution, he/she should write "Abstain" across the boxes against the Resolution.
7. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns 'For' or 'Against' as appropriate.