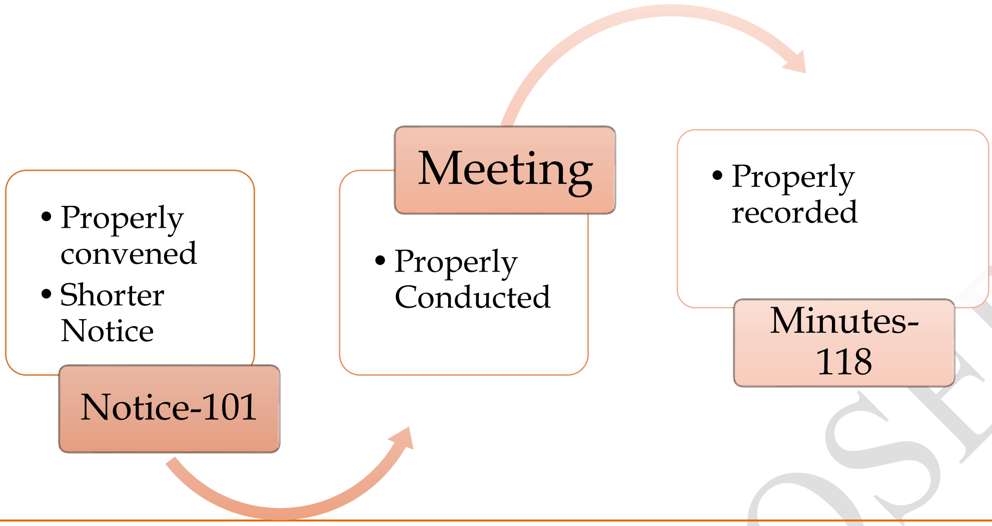
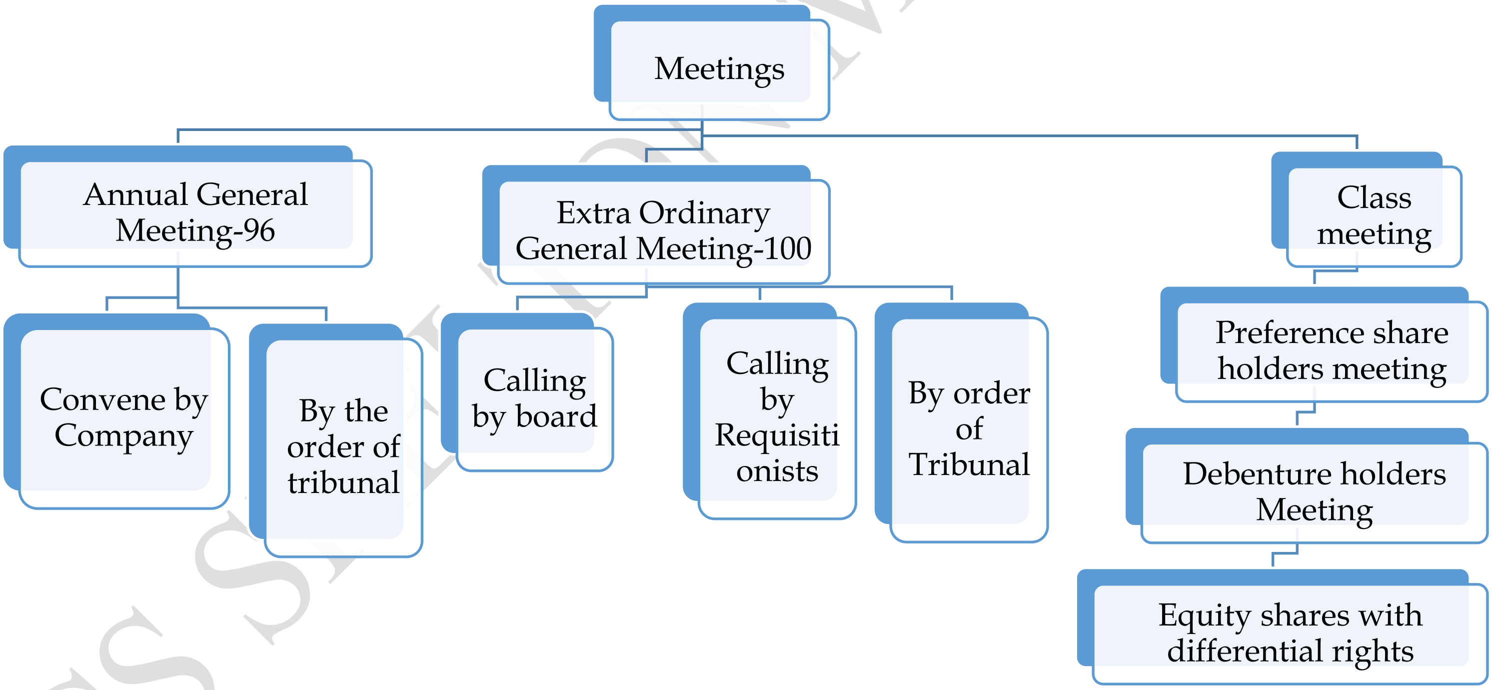
MEETING

STAGES IN MEETING



Notes : Members, Directors and Auditors are entitled to receive notice of general meeting

TYPES OF MEETING



TYPES OF VOTING

- **Actual Meeting**
  - Show of Hands-107
  - Demand on poll-109
- **Deemed Meeting**
  - Electronic Means-108
  - Postal Ballot-110

Note: Voting is based on the basis of paid up share capital of members (Sec 47) and in case of voting by show of hands method one member one voting system irrespective of share holding.

TYPES OF RESOLUTION

ORDINARY RESOLUTION
Above than 50+ majority or Voting casting in favour is more than voting against(in all means)

SPECIAL RESOLUTION
75% majority or Voting casting in favour is 3 times more than voting against(in all means)

TYPES OF BUSINESS IN AGM

ORDINARY BUSINESS

Consideration of financial statements and the reports of the board of directors and auditors
Declaration of dividend
Appointment of directors in place of those retiring
Appointment of and fixing of remuneration of auditors

SPECIAL BUSINESS

Other than these any business were treated as special business
Explanatory statement must contain in notice, if there is special business

SEC 96- ANNUAL GENERAL MEETING

- 1ST Annual general meeting should be conducted within 9 months from the date of closing of relevant financial year
- 2nd or subsequent AGM should be conducted within 6 months from the date of closing of relevant financial year
- The gap between 2 AGM shall not exceed 15 months
- The AGM can be extended up to maximum 3 months, but extension not available for 1st AGM

- Cannot be conducted on national holidays
- Venue- Registered office of the company or in a city where the registered office is situated
- Time- Business hours(9 am to 6 pm)
- Annual general meeting of an unlisted company may be held at any place in India if consent is given in writing or by electronic mode by all the members in advance.

SEC 97-POWER OF TRIBUNAL TO CALL AGM

- If any default is made in holding the AGM of the company under section 96, the tribunal(NCLT) may on application of any members of the company, call or direct the calling of an AGM of the company and can give such ancillary or consequential directors as the tribunal thinks fit

SEC 98-POWER OF TRIBUNAL TO CALL EGM

- If for any reason , it is impracticable to call a meeting of a company other than AGM, the tribunal shall have the powers to order for calling the meeting either suomoto or on the application of any director of the company or any member of the company

SEC 99-PUNISHMENT

- If any contravenes the order of tribunal every officer of the company in default and the company shall be liable

SEC 100-EGM

- Only special business (No ordinary business)
- EGM can be called by directors whenever they deems thinks fit or it can be convene by the requisition of members (two types of convening)

  Members Requisition
  Meeting can be request be the members holding atleast 1/10th of the paid up share capital of the company or voting right

  - The requisition must be signed by the members and sent to the registered office of the company
  - The company must proceed to call the meeting within 21 days from the date of requisition and must be conducted within 45 days and if board fails to conduct the requisitionists themselves can conduct the meeting within 3 months and such expenses if any must be reimbursed by the company and such expense would deduct from the defaulting directors fees

- In EGM calling by requisition and quorum is not present there is no adjournment and meeting should be cancelled

- No explanatory statement is required in meeting called by requisitionists but reasons must be disclosed

- Extraordinary general meeting of the company, other than of the wholly owned subsidiary of a company incorporated outside India, shall be held at a place within India

SEC 101-NOTICE

- Atleast 21 clear days notice must sent for general meeting

- Clear days means date of sending and date of meeting were excluded

Shorter Notice
Members must given their consent in writing or electronic mode

AGM : Not less than 95% of members entitled to vote
EGM : If having share capital - Majority in number of members entitled to vote represent not less than 95% of paid up capital

: Not having capital - Not less than 95% of voting power

- Accidental omission for sending notice to members doesn't invalidate the proceedings of the meeting (omission must not be deliberate, company must prove)

- Section 8 companies 14days notice is enough

- General meeting notice must be send to all members, auditors and directors of the company

- SS-1 & SS-2 issued by ICSI must be complied

SEC 102-EXPLANATORY STATEMENT

- Explanatory statement must be included , if notice contains special business

- If notice was sent without any explanatory statement, such special business cannot be transacted at meeting

- Details of directors/KMP interest in proposed transaction must be disclosed

SEC 103-QUORUM

- Quorum means minimum number of members personally present at the meeting

  When quorum is immaterial

  - In an adjourned meeting

- If all members are present, and number of members falls less than prescribed in articles

- ***Minimum Quorum***
  - Private company : Minimum 2 or articles authorise whichever is higher
  - Public company : Up to 1000 -5
    1000-5000 -15
    Above 5000 -30

- Quorum should be present within half an hour, and if no quorum is present meeting should be adjourned to next week same day and place or decided by the board of directors

- In an adjourned meeting also if no quorum is present,, the members present shall constitute quorum but if a single member quorum should be cancelled

- In an adjourned meeting 3 days notice is required to be sent either personally or published in the newspaper

- If EGM calling by requisitionists , and if no quorum is present meeting should be cancelled

- Proxy not included in counting of quorum

- Representatives of president and governor and representatives of body corporate counted in quorum and they are treated as personally presented members

SEC 104-CHAIRMAN

- Powers of chairman
  - Conducting the proceedings of the meeting
  - Sign the minutes and has power to exclude certain matters from the minutes
  -
- Power of casting vote if articles authorise

SEC 105- PROXY

- Representatives of members to attend the meeting and to vote thereat

- Duly filled Proxy form (MGT 11) must be submitted by the members before 48 hours before the meeting

- Proxy has no right to speak and vote by show of hands (right and demand by poll method)

- A Person can act as a proxy not exceeding 50 members and their capital shall not exceed 1/10th of paid up share capital of the company

- If a single member capital exceeds 10% , such person can also appoint proxy , but that appointed person can only act as proxy of that member

- To inspect the proxy form 3 days notice must be given

SEC 106-RESTRICTION ON VOTING RIGHTS

- If any calls in arrears or any other sum due by member to the company the voting rights can be restricted

SEC 107-VOTING BY SHOW OF HANDS

- In voting by show of hands method one member one vote irrespective of their share holding
- It is a common type of voting system unless the poll demand
- It is not value based voting system

SEC 108-VOTING BY ELECTRONIC MEANS

- Every listed company (equity shares) and every company having not less than 1000 shareholders shall provide this facility (Nidhi companies exempt)
- The meeting notice must be sent to all shareholders and must be hosted in website and must be published
    - The facility for remote e voting facility shall remain open for not less than 3 days and shall close 5.00 pm on the date preceding the date of general meeting
    - Register must be maintained
- A resolution proposed under electronic means shall not be withdrawn

SEC 109-DEMAND ON POLL

- A poll can be done either by the request of members or chairman suomoto before or on declaration of the resolution by show of hands
- Who can request : not less than $1/10^{th}$ of the voting power or aggregate sum shall not less than 5 lakhs
    - Proxy can also demand on poll
- Chairman shall appoint a scrutiniser for observing the poll process

SEC 110- VOTING BY POSTAL BALLOT

- The company will sent the notice along with draft resolution to all members and request them to sent their assent or dissent within 30 days from the date of dispatch of notice
- The advertisement shall be published in newspaper

- Certain matters can be passed only through postal ballot method(refer material/Act) Its not applicable to OPC and having members upto 200

- Any item of business required to be transacted by means of postal ballot under clause (*a*), may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108,

SEC 111-CIRCULATION OF MEMBER RESOLUTION

- Members are proposing the resolutions for the next general meeting

- Members requisition (sec 100 qualifications) shall circulate to all members

- ***Exemption:***
  - If not deposit at registered office of the company before 2 weeks and in case special notice required before 6 weeks before
  - A reasonable expenses to meet the company expenses must be given

- If requisition is defamatory or secure needless publicity company or any aggrieved person can apply for exemption to central government

SEC 112-REPRESENTATIVE OF PRESIDENT /GOVERNOR

- Their representative shall have all such rights exercised by the members and counted in quorum too

SEC 113-REPRESENTATIVE OF BODY CORPORATE

- If a single member representing two body corporate he would be counted as 2 or if he represent he may counted as 3

- The representative shall have all such rights exercised by the members and counted in quorum too

SEC 114- ORDINARY AND SPECIAL RESOLUTION

- Ordinary means more than 50 % and in case of special atleast 75% majority

SEC 115- SPECIAL NOTICE

- Required in case such as appoint as auditor other than retiring auditor or remove the director before the expiry of term

- To move such resolution notice of the intention to move such resolution shall be given to the company by such number of members holding not less than 1% of total voting power, or holding shares on which such aggregate sum shall not exceeding 5 lakhs

- Such special notice shall be sent to all members to the company not earlier than 3 months but atleast 14 days before the date of meeting at which the resolution is to be moved, exclusive of the day on which the notice is given and the date of meeting

- Notice shall be published at least 7 days before the meeting, exclusive the day of publication of the notice and the date of meeting

SEC 116-RESOLUTION PASSED AT ADJOURNED DATE

- If meeting is adjourned due to any lack of quorum, then the meeting passing date is in fact which passed and not any other earlier date

SEC 117-RESOLUTIONS AND AGREEMENTS SHOULD BE FILED

- Every special resolutions, unanimous resolution and resolution for appointment or reappointment of MD and such other resolution should be filed with registrar within 30 days

SEC 118-MINUTES

- Recordings of the proceedings of the meeting is called as minutes

- Minutes must be prepared and signed within 30 days from the date of conclusion of meeting

- For all types of meeting separate minutes book should be maintained and it must be consecutively numbered

- Chairman of the meeting has the power to sign the minutes and inability of chairman any director duly authorised by the board

- Minutes is treated as an evidence and all appointments made by the company should be recorded in the minutes

- 3 matters can be excluded from the minutes by the sole discretion of chairman
    - If defamatory to any person
    - Irrelevant or immaterial
    - Detrimental to the interest of the company

SEC 119-INSPECTION OF MINUTES BOOK

- Kept at registered office and open for inspection to members during business hours(atleast 2 hours shall be given) without inspection and entitled to get copy of minutes within 7 days of request on payment of such fees (Not exceed Rs.10 per page)

SEC 120-MAINTENANCE OF DOCUMENTS IN ELECTRONIC FORMAT

- Every listed company and every company shall not less than 1000 shareholders or debenture holders shall maintain and prepare the documents in electronic format

SEC 121-REPORT ON AGM

- Every listed company in addition to minutes must prepare the report on AGM and it must be filed within 30 days from the date of AGM

SEC 122-APPLICABILITY OF THIS CHAPTER TO OPC

- The section 98 and section 100 to 111 shall not apply to OPC

- Such person would record his decision in minutes books, dated and signed and such date is deemed as meeting is conducted for all purpose

SPACE FOR NOTES