

# COMPANY LAW

UNIT 4 : Management and Meetings

TOPIC- GENERAL MEETINGS

# Company Meetings

- **Board Meeting- Done already**
- **General Meetings**
  - ✓ Annual General Meeting(Sec.96)
  - ✓ Extraordinary General Meeting(Sec.100)
- **Class Meetings – Not in syllabus**
  - ✓ Meetings of debenture holders/creditors
  - ✓ Meetings of Preference Shareholders

A meeting will be regarded as valid if it is

## **Properly Convened**

- ✓ **Proper convening authority**
- ✓ **Proper notice**

## **Properly Constituted**

- ✓ **Proper chairman**
- ✓ **Proper quorum**

## **Properly Conducted**

- ✓ **Proper voting**
- ✓ **Proper resolutions**

## **Properly Concluded**

- ✓ **Proper registration**
- ✓ **Proper minutes**

# ANNUAL GENERAL MEETING (AGM)( SEC.96)

## Purpose of AGM

- Every company (private/ public) must hold a general meeting of its members every year to **enable them review & evaluate the overall progress of the co.** during that year.
- At an AGM , the following ordinary business items are transacted and that's why AGM is also called as **ordinary general meeting** . The ordinary business requires an ordinary resolution. Following are ordinary business items -
  - ✓ the consideration of financial statements, board report and auditors report
  - ✓ the declaration of any dividend
  - ✓ the appointment of directors in the place of those retiring and
  - ✓ appointment of auditors and fixation of their remuneration
- Any other business ( other than ordinary business items referred above) may also be transacted at the AGM but it shall be considered as **special business**. Special business may require ordinary or special resolution as per AOA or the Companies Act. Also explanatory statement need to be annexed with notice incase of special business.

## Day of AGM

- ✓ AGM can be called on **any day including Sunday and other public holiday** which is not a National Holiday. This means AGM cannot be called on a National Holiday

## Timings of AGM

- ✓ AGM can be held during **business hours i.e. between 9 a.m. and 6 p.m.**

## Venue of AGM

- ✓ It must be held at **the registered office of the company** or at some other place within the city where the registered office of the company is situated.

# ANNUAL GENERAL MEETING (AGM)( SEC.96)

## Notice for AGM

- At least 21 days clear notice required to call an AGM
- The meeting may be held with a shorter notice , if so agreed by in writing or by electronic mode , by at least 95% of the members
- Notice must be given in writing or through electronic mode
- Notice to be given to every shareholder, directors, auditors of the company, legal representatives of deceased or insolvent members.
- A copy of Directors Report, audited Financial Statements, Auditors report must be annexed to every such notice.

## Time limit for holding AGM

- There must be **one AGM in each calender year** i.e. latest by 31st December each year.
- The **first AGM be held within 9 months** from the end of 1<sup>st</sup> financial year. This 9 month period is not extendable even by ROC. *FY means period ending on 31<sup>st</sup> March every year but incase of a company incorporated on or after 1<sup>st</sup> January of a year, the period ending on 31<sup>st</sup> March of the following year.*
- Subsequent **AGMs be held with 6 months from the end of company's financial year**. The ROC may ,for special reason, extend this 6 months period by up to maximum 3 more months.
- Interval between any **two successive AGMs must not be more than 15 months**( 18 months where upto 3 months time extension is granted by ROC)
- In case any AGM gets adjourned to a subsequent date ( remember> the adjourned meeting is deemed to be a continuation of the earlier meeting and is not regarded as separate meeting), **the adjourned meeting too must be held within 15 months** (18 months where time extension of upto 3 months has been granted by ROC)

# ANNUAL GENERAL MEETING (AGM)( SEC.96)

## AGM Report( Sec.121)

- Every listed public company shall prepare in prescribed manner, **a report on the AGM** confirming that it was held as per the provisions of the Act .
- This report shall be filed with the ROC within 30 days of conclusion of AGM, failing which the company and officers in default shall be liable to prescribed penalty

## Exemption from AGM

- One Person Company is exempted from holding AGM as there is just one member in that company.
- In case of OPC, it shall be sufficient if the resolution is communicated by the member to the company, entered in minutes book after being properly signed and dated by him.

## Holding of AGM by Tribunal( Sec.97)

- ✓ If company fails to call an AGM within prescribed time limits, the Tribunal may, on an application of any member of the co., call or direct the calling of the AGM
- ✓ Tribunal in that case may also give ancillary \ consequential directions in relation to the meeting such as a direction that one member of the company present in person or by proxy shall be deemed to constitute a meeting .

## Penalty (Sec.99)

- If there is any default in holding AGM in accordance with the provisions of Sec.96 or in complying with the directions of the Tribunal under section 97, then penalty as prescribed below ,will be attracted
- The company and every officer in default of the company shall be punishable with a fine up to Rs. 1 lakh and in case of a continuing default with a further fine up to Rs.5000\ day during default period.

# EXTRAORDINARY GENERAL MEETING( SEC.100)

## Purpose of EGM

- EGMs are general meetings held for discussing and transacting any matter which cannot be postponed till the next AGM.
- All business transacted at EGM is special business eg. alteration of some clause of MOA, removal of a director etc. , which may be passed by ordinary resolution or special resolution depending upon the provisions of the Act or AOA.

## Time limit for EGM

- These meetings may be convened by the company at any time when need arises.
- These meetings are held between two consecutive AGMs.

## Day of EGM

- EGM can be held on any day, including National Holiday

## Timings of EGM

- EGM can be held at any time during the day not necessarily business hours.

## Venue of EGM

- EGM can be held at any place within India i.e. it can be held at a place other than the registered office of the co. or the city in which the registered office is situated.

## Notice for EGM

- At least 21 days clear notice required to call an EGM
- The meeting may be held with a shorter notice , if so agreed by in writing or by electronic mode , by members of a company representing 95% or more paid up share capital or 95% or more total voting power in the company
- Notice must be given in writing or through electronic mode
- ***Since all business transacted at such meeting is special business, an explanatory statement giving all the material facts relating to every item on agenda must be given along with the notice of the meeting.***

# EXTRAORDINARY GENERAL MEETING( SEC.100)

## Who can call an EGM

- **Board of Directors( Sec.100(1))**- The BOD may, whenever they think fit, can convene an EGM by passing a resolution in Board's Meeting.
- **BOD on requisition of the members( Sec.100(2)(3))**-
  - ✓ The directors must convene an EGM whenever members (holding not less than  $1/10^{\text{th}}$  of paid up share capital or  $1/10^{\text{th}}$  of total voting power on matter of requisition), make a written request\ requisition for an EGM
  - ✓ The requisitionists **must state the matters for the consideration** at the meeting but **are not bound to disclose the reasons for the resolution they propose to move** at the meeting.
  - ✓ The requisition must be signed by the requisitionists and deposited at the registered office of the company.
  - ✓ Within 21 days from the deposit of valid requisition, directors must move to call a meeting, should give 21 days notice to members and then actually hold it within 45 days from the date of requisition.
  - ✓ No matter ,other than business for which the meeting has been convened , can be transacted at the requisitioned meeting.
- **By the requisitionists themselves(Sec.100(4)(5)(6))**
  - ✓ If the directors fail to call the meeting within the aforementioned time limits, the requisitionists, themselves may convene a meeting
  - ✓ Such a meeting must be held within 3 months of depositing the requisition.
  - ✓ Meeting must be called in the same manner as meetings are called by the Board.
  - ✓ The reasonable expenses incurred by requisitionists in calling the meeting must be repaid by the company.
  - ✓ The sum so paid shall be recovered by company from the defaulting directors.

# EXTRAORDINARY GENERAL MEETING( SEC.100)

## Exemption from EGM

- The provisions of Sec.98, and Sec.100 to Sec. 111 shall not apply to a One Person Company. So OPC is not even required to hold any EGM.
- In case of OPC, it shall be sufficient if the resolution is communicated by the member to the company, entered in minutes book after being properly signed and dated by him.

## Holding of EGM by Tribunal (Sec. 98)

- If for any reason, it is impracticable to call or conduct an EGM, the Tribunal may, either suo moto, or on the application of any director or any member who would be entitled to vote, order a meeting to be called, held or conducted in such manner as it thinks fit.
- Tribunal in that case may also give ancillary \ consequential directions in relation to the meeting such as a direction that one member of the company present in person or by proxy shall be deemed to constitute a meeting

## Penalty (Sec.99)

- If there is any default in complying with the directions of the Tribunal under section 98, then penalty as prescribed below, will be attracted.
- The company and every officer in default of the company shall be punishable with a fine up to Rs. 1 lakh and in case of a continuing default with a further fine up to Rs.5000\ day during default period.

## Virtual Meetings of Shareholders /members

- There is presently no provision in Companies Act, for holding AGM or EGM in virtual mode or online mode.
- While Board Meetings can be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM), for General Meetings only provision of 'Postal Ballot' and 'E- Voting' exists .
- However, during Covid 19 lockdown period, conduct of AGM/ EGM was allowed through Video Conferencing and Other Audio-Visual Means as a temporary measure, by issuance of Circulars by MCA.
- Initially these co. were allowed to hold AGM /EGM through VC or OAVM till 30<sup>th</sup> September,2023 and then extended till 30 Sep, 2024 by subsequent circular.
- Since virtual meetings are cost –effective, convenient and ensures wider participation, there is a huge demand from corporates that the Companies Act ,2013 should incorporate provisions allowing companies to hold general meetings physically, virtually and in hybrid mode .

# Requisites of a valid general meeting – It should be properly CONVENED

## Proper Convening Authority

- Board of Directors
- Requisitionists or Tribunal (Sec.97 &98), in the event of default by directors

## Proper Notice(Sec.101)

- To whom- every member \shareholder (equity and preference), auditors of company, each director of company and persons entitled to attend meeting viz. legal representative of deceased member or the assignee of insolvent member. *Deliberate omission to give notice to even a single member can invalidate the meeting but accidental omission can be excused.*
- Mode of notice- The notice should be in writing or in electronic mode. It may be sent by post or by courier or by electronic or other mode
- Length of notice-Notice must be given at least **21 clear days before** the meeting. In calculating 21 days, 48 hours as transmission time, date of meeting ,date of despatch shall be excluded .
- However, annual general meeting may be held with a **shorter notice** if agreed to in writing\ by electronic mode by atleast 95% of members entitled to vote thereat. Similarly, incase of any other general meeting, shorter notice may be given if agreed to in writing \by electronic mode by members of a company representing 95% or more paid up share capital or 95% or more total voting power in the company.
- Contents of notice- The notice must specify the place, date, day and time of meeting ; agenda (i.e.statement of business to be transacted at the meeting )and also state that a member is entitled to appoint proxy and that proxy need not be member of the company.
- Explanatory Statement- In the case of ' special business', the notice must mention all the material details concerning each item of business including the nature of interest, if any, of each directors\key managerial personnel in that.(Sec.102)

# Requisites of a valid general meeting-It should be properly CONSTITUTED

## Proper Chairperson(Sec.104)

- The appointment of chairperson shall be regulated by the AOA of the company. As per 'Table F ' of schedule I of Companies Act which contains model set of AOA for companies limited by shares, the chairperson of BOD shall preside as chairperson at every general meeting of the company. But if such chairperson is not present within 15 minutes of the scheduled time, then the directors present shall elect chairperson from among themselves . But if no director is present within 15 minutes of the scheduled time\or is unwilling to act as chairperson, then the members present shall choose amongst themselves a chairperson for that meeting. However, if articles are silent on chairmanship of the meeting, then the provisions of Sec.104 shall apply .
- As per Section 104, the members personally present at the meeting shall elect from amongst themselves, a chairperson to preside over the meeting, on **a show of hands**.
- If a **poll is demanded** on the election of the chairperson, it shall be taken forthwith and the chairman on show of hands will continue till new chairman as per poll takes over.
- The chairperson elected as per the poll, shall preside over for the rest of the meeting.
- **Powers and duties of chairperson**
  - ✓ to preserve order and decorum in the meeting
  - ✓ to properly ascertain the sense of the meeting (i.e. opinion of the house)
  - ✓ to ensure that the business transacted is as per the order set out by agenda
  - ✓ to adjourn the meeting with the consent of members
  - ✓ to use **casting vote/second vote** to break a tie whenever there is equality of votes on any issue
  - ✓ to sign the minutes of the meeting

# Meeting should be properly CONSTITUTED

## Proper Quorum(Sec.103)

- Quorum is specified minimum number of qualified persons whose presence is necessary for transacting legally binding business at the meeting.
- **Persons to be counted** for quorum of general meetings
  - ✓ They must be **effective members i.e. those entitled to vote at the meeting.**
  - ✓ If agenda does not include any item which affects **preference shareholders, their presence will not be counted for quorum.**
  - ✓ **Only members present in person are counted for quorum. Proxies are not counted for quorum.**
  - ✓ **Joint holders of shares are treated as one member** for the purposes of quorum.
  - ✓ Where company/Government(namely President of India or Governor of a State) is a member of a company, their properly **appointed representative or nominee is deemed to be personally present** and considered for quorum as well as voting( by show of hands as well as poll)(Sec. 113 &112))
- Quorum for Public companies- **5** members where no. of members on date of meeting are  $\leq 1000$ 
  - 15** members where  $1000 < \text{members} \leq 5000$
  - 30** members where no. of members on date of meeting are  $> 5000$

Private companies - **2** members

**However AOA of a company can provide for a larger quorum than stated above. They cannot prescribe a smaller quorum than fixed by the Act as above.**

# Meeting should be properly CONSTITUTED

- **Time of presence of quorum-**

- ✓ The Companies Act, is silent on this point .However Regulation 44 of Table F provides that **quorum is required to be present at the beginning of the meeting**. It implies it need not be present throughout the meeting . However, till all the items of business in the agenda are transacted, quorum must be present.
- ✓ But incase of **board meetings, quorum must be present throughout** the meeting.
- ✓ **If quorum is not present within half an hour** of the meeting's scheduled time ,then such meeting stands cancelled where the meeting was called by requisitionists.
- ✓ In other cases, the meeting stands adjourned \* to same day, same time, same place next week
- ✓ If at the adjourned meeting also, quorum is not present within 1/2 hour of the scheduled time, the members present shall be quorum .Where any resolution is passed at the adjourned meeting, it shall be treated as being passed on that date only and not be deemed to have been passed on any earlier date.

- **Circumstances when one person can form quorum –**

- ✓ In case of a meeting of particular class of shareholders, **when one person holds all shares of that particular class** or
- ✓ **where the meeting has been called by Tribunal u\s 97 or 98 with the** instruction that one member present in person or by proxy shall be deemed to constitute a meeting.

# Requisites of a valid general meeting-It should be properly CONDUCTED

## Proper Voting

The word 'vote' means an expression of an opinion in a formal way for or against any proposal. A proposal or motion is first discussed in the meeting by the members. Then it is put to vote for ascertaining the sense of the house. If the motion gets passed, then only it is called as resolution.

### Methods of voting at a general meeting

- Voting by show of hands(Sec.107)
- Voting through electronic means(Sec.108)
- Voting by poll(Sec.109) ( personally or through proxies(105))
- Voting by postal ballot(Sec.110)

### Voting by show of hands(Sec.107)

- ✓ Voting by show of hands to be always used for deciding a resolution in the first instance, unless poll is demanded or voting is to be carried out electronically
- ✓ Each member has one vote only irrespective of his shareholding
- ✓ Proxies have no right to vote under this method
- ✓ Where a company / Government (like President/ Governor of a State) is a member of the company, their properly appointed representative shall be deemed to be the member personally present and can vote on show of hands.
- ✓ Declaration of the result of voting by the chairman and its entry in the minutes book shall be final and conclusive evidence of voting , unless a poll is demanded.

# Meeting should be properly CONDUCTED

## Voting by polls (sec.109)

- ✓ Poll can be demanded when members are not interested in voting by hands or when they are dissatisfied about the results of voting by show of hands.
- ✓ Poll may be ordered by the chairman on his own or when it is demanded by members holding atleast 1/10 th of total voting power in the company or paid up value of their aggregate shares in the co. is atleast 5 lakhs.
- ✓ Poll must be taken within 48 hours of demand for poll. But ,on a question of adjournment or election of chairman, it must be taken forthwith.
- ✓ Here each member gets voting rights in proportion to his shareholding in the co. Further he has a right to distribute his votes in any manner i.e. he can even split his votes for or against the same resolution
- ✓ Proxies can also vote in a poll
- ✓ The result of poll shall be deemed to be the final decision of the meeting on the given proposal and result of previous voting by show of hands, if taken, stands cancelled.

SHOW OF HANDS (sec. 107)	POLL (sec. 109)
Each member has one vote only	Members have voting rights proportionate to their shareholding in the co.
Proxies are not allowed to participate in voting	Proxies are allowed to vote in a poll
There is no counting of votes in favour and against the resolution.	Votes in favour and against are counted
Decision of voting by show of hands is cancelled as soon as poll is demanded	Decision of voting by poll is never cancelled

# Meeting should be properly CONDUCTED

## Voting by electronic means ( Sec.108)

- ✓ The CG can prescribe classes of companies where members can vote electronically
- ✓ This method will ensure wider participation of members and convenience of exercising their rights without being present in the meeting.
- ✓ Rule 20 Of Companies (Management and Administration) Rules,2014 relate to voting through electronic means.(DETAILS LATER)

## Voting by Postal ballot(Sec.110)

- ✓ The CG can notify items of business which **must** be transacted by postal ballot. Such items can be transacted at general meeting also provided the company has provided there electronic voting facility also.
- ✓ Items of ‘ordinary business’ and any matter where directors/ auditors have right to be heard cannot be transacted by means of postal ballot. All other items may be transacted by postal ballot instead of general meeting,
- ✓ One Person company and companies having members upto 200 are not required to transact business through postal ballot.
- ✓ Rule 22 of the Companies ( Management and Administration) Rules, 2014 relate to voting through postal ballot

# Requisites of a valid general meeting(4Cs)

	ELECTRONIC VOTING (E.V)( Includes Remote e-voting + e voting in meeting)	VOTING BY POSTAL BALLOT (P.B.)
APPLICABILITY	<p>Companies required to provide e voting facility to its members-</p> <ul style="list-style-type: none"> <li>Listed companies or</li> <li>Companies having members <math>\geq 1000</math></li> </ul>	<p>Items that must be transacted by postal ballot-</p> <ul style="list-style-type: none"> <li>Alteration of object/ RO clause of a co.</li> <li>Issue of shares with differential rights</li> <li>Sale of whole/substantial undertaking of a co.</li> <li>Buyback of own shares</li> <li>Election of small shareholders' director etc.</li> <li>✓ OPC and Co. having membership <math>\leq 200</math> not to transact any business by postal ballot.</li> <li>✓ Ordinary business items can't be transacted by P.B.</li> </ul>
Notice of meeting	<ul style="list-style-type: none"> <li>Be sent by registered/speed post/courier/ email + Be placed on co.'s website</li> </ul>	
Notice to specify	<ul style="list-style-type: none"> <li>That business may be transacted by e-voting system &amp; that co is providing e-voting facility</li> <li>Process/manner of voting by electronic means</li> <li>Time period during which votes may be cast</li> <li>Login ID and password generation procedure</li> </ul>	<ul style="list-style-type: none"> <li>That co. is providing voting by postal ballot</li> <li>That ballot forms are attached with notice.</li> <li>To apply for duplicate if ballot not received</li> <li>Start/ last date of voting by postal ballot</li> <li>Ballot forms received late be treated invalid</li> </ul>
Advertisement	<ul style="list-style-type: none"> <li>In a leading English newspaper + one Vernacular newspaper giving information about notices being dispatched and other related matters</li> </ul>	

Process	<ul style="list-style-type: none"> <li>-E voting to remain open for <b>not less than 3 days.</b></li> <li>-Voting period to <b>close at 5.00 pm</b> on the date preceding the date of general meeting</li> <li>-Once vote on resolution is cast-no change allowed</li> <li>-At the end of voting period, portal be blocked</li> <li>-Members attending the meeting physically , who have not voted by remote e-voting, can vote at the meeting.</li> </ul>	<ul style="list-style-type: none"> <li>- Shareholders to send their assent /dissent on a postal ballot within 30 days of dispatch of notice.</li> <li>-.</li> </ul>
Scrutinizer	<ul style="list-style-type: none"> <li>-Appointed by BOD to scrutinize e voting process</li> <li>-Can be CA/CS/CostA/Advocate not in employment of co.</li> <li>-Unblock the votes after the end of e voting period</li> <li>-Maintain Register to record–assent/dissent, names, addresses, client IDs, shares held by them etc.</li> </ul>	<ul style="list-style-type: none"> <li>-Appointed by BOD to conduct the postal ballot voting process in a fair and transparent manner.</li> <li>-Can be a retired judge/any other person of repute not in the employment of the co.</li> <li>- Maintain Register to record assent/ dissent, names,details of invalid\torn\defaced ballot forms</li> </ul>
Report	<ul style="list-style-type: none"> <li>-Make a report of votes cast in favour/against the resolution to the Chairman</li> </ul>	<ul style="list-style-type: none"> <li>-Make a report soon after the last date of receipt of postal ballots but not later than 7 days thereof</li> </ul>
Safe custody	<ul style="list-style-type: none"> <li>-Scrutinizer to keep in safe custody register+all papers relating to e-voting</li> <li>- To return them to Chairman, once minutes are approved and signed.</li> </ul>	<ul style="list-style-type: none"> <li>-Scrutinizer to keep in safe custody register+ postal ballots+ all papers related to postal ballot</li> <li>-To return them to Chairman, once minutes are approved and signed.</li> </ul>
Result + Scrutinizer's Report	<ul style="list-style-type: none"> <li>- <b>To be placed on co. website.</b></li> <li>-Resolution is deemed to be passed on the date of relevant general meeting of members</li> </ul>	<ul style="list-style-type: none"> <li>-To be placed on co. website.</li> </ul>

# PROXY(Sec.105)

A proxy is a member's authorised agent to attend and vote by poll at a meeting. Proxy also refers to the instrument by which proxy is appointed by the member of the company.

- Members have a statutory right to appoint proxies and this right cannot be curtailed even by AOA of the company.
- A proxy can attend the meeting and vote on poll, but he doesn't have right to speak or vote on show of hands.
- A proxy need not be a member of a company.
- Where another company or Government is a member of the company, their properly appointed representative enjoys all rights of a member. ( i.e. he is not treated as proxy rather he is treated like a deemed member personally present and therefore he is counted for quorum, can speak, can vote by show of hands as well as can vote by poll)
- A person can act as proxy for maximum 50 members who together do not hold more than 10% share capital of the co.
- For each meeting a separate proxy is required
- Every notice of general meeting of company, where voting by proxy is allowed ,must state with reasonable prominence that a member is entitled to appoint proxy and that the proxy need not be a member.
- The instrument appointing proxy must be in writing, in proper form, duly signed by appointor and stamped. Further, it may be lodged with the company atleast 48 hours before the meeting.
- After giving at least three days notice to the company, members can inspect the proxy forms lodged with the company during 24 hours before the meeting and till the conclusion of meeting.
- A proxy stands revoked in the following cases - when revocation is intimated to the company ,at any time, before it is acted upon or on death\ insanity of principal and company has intimation of this in writing or when member himself attends the meeting and decides to vote.

# Meeting should be properly CONDUCTED-Proper Resolution

Ordinary Resolution (Sec.114(1))	Special Resolution(Sec.114(2))
Ordinary resolution is normally used for 'ordinary business' items such as to pass annual accounts, to declare dividends, to appoint directors in place of retiring directors and to appoint auditors. Ordinary resolution may also be required for <b>some</b> special business items such as alteration of share capital, issue of fully paid bonus shares etc.	Special resolution is normally used for ' special business items' such as to alter MOA, to alter AOA, ,to remove auditors, to issue sweat equity , for buyback of shares etc.
Ordinary resolution is passed by simple majority(51% majority)	Special Resolution is passed by 3/4 th majority
Here ,votes cast in favour of a resolution should be more than the votes against it.	Here, votes cast in favour of a resolution should be atleast 3 times the votes cast against it
A copy of ordinary resolution is not required to be filed with ROC.	A copy of special resolution must be filed with ROC within 30 days of passing it.
In case of an ordinary resolution, whenever there is an equality of votes, the chairman can give his casting vote.	There is no question of a casting vote in case of a special resolution.

# Resolutions requiring Special Notice (Sec.115)

- Sometimes, it may happen that, the notices for a general meeting have already been sent to the members and thereafter, a new item of discussion surfaces, which needs to be considered in the upcoming meeting. In such case, the mover of such a proposed resolution is required to give special notice of at least 14 days to the company .
- Such notice can be given to company by such members as are holding at least 1% of total voting power or holding shares in aggregate amounting to paid up value of Rs.5 lakhs or more.
- The company in turn, is now required to give notice of the proposed resolution to the members at least 7 days before the meeting.
- The company may inform the members either individually or through an advertisement in the appropriate newspaper( this is more practical and feasible option given the time constraint)
- **Under the Act, a special notice is required for moving resolutions pertaining to**
  - ✓ **Removal of director before expiry of his term.**
  - ✓ **Appointment of another person in place of retiring or removed director**
  - ✓ **Appointment of an auditor other than the retiring auditor**
  - ✓ **Provision that a retiring auditor shall not be reappointed.**

# Requisites of a valid general meeting-It should be properly CONCLUDED

## Registration of certain documents/ agreements (Sec.117)

A certified copy of certain resolutions\agreements\reports must be filed with the ROC within 30 days of their passing\ making( so that public can inspect \ obtain their copies).eg -Special Resolutions, resolutions agreed to by all the members of a co. , any other resolution\agreement as may be prescribed and placed in the public domain etc.

## Proper Minutes (Sec.118)

Minutes refer to a fair, accurate and concise or summarised official record of the business transacted at company meetings. It generally comprises of the important matters such as -decisions taken\resolutions passed\ appointments made\ dissents given etc.-at the meeting rather than the entire discussions in the meeting .

- Minutes of all general meetings, board meetings, and every resolution passed by postal ballot must be kept in minutes book within 30 days of their passing.
- The pages of minutes book must be consecutively numbered and no page should be torn from it or pasted into it . Similarly overwriting, cutting , erasing etc. is not allowed in the minutes book.
- Each page of minutes book must be signed and the last page of minutes of a each meeting shall be duly signed as well as dated .
- The Chairman of the concerned meeting enjoys absolute discretion regarding non-inclusion of any matter in the minutes which in his opinion is irrelevant \ derogatory\deterimental to the interest of the company.
- The properly kept minutes act as evidence of the meeting held and of its proceedings .
- The minutes book of general meetings are to be kept at the registered office of the company and shall be open for inspection (for at least 2 hours a day during business hours) by any member without charge. On payment of prescribed fees, the members can also obtain copies of minutes.