

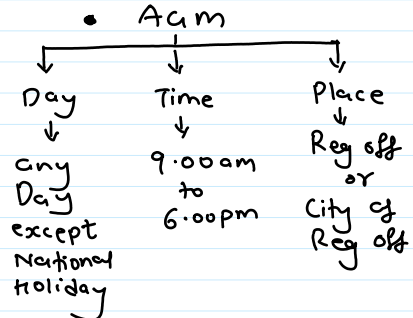
# Chp 19: General Meetings.

## Sec 96:- Annual General Meeting.

- Every Co, except OPC is reqd to conduct an AGM in every year.
- Object of AGM
  - ↓
  - Transparency & Disclosures with the members of the Co.

- Business to be transacted at AGM → ADDA  
(Explanation on next page)
- Period of holding AGM
  - 1st AGM
    - ↓
    - within 9M
    - From the End of F.Y.
  - subsequent AGM
    - ↓
    - within 6M
- Extension of 3M is given subsequent AGM.

- Maximum GAP between 2 Consecutive AGM
  - ↓
  - Should not Exceed 15M



- Report on AGM → to be given by Listed Co in form MGT-5 to ROC in 30 days
- 5M for Top 100 List Cos.

## Types of Business.

Ordinary Business

A.D.D.A (at AGM)

- Adoption of ACCOUNTS
- Declaration of DIVIDEND
- APPOINTMENT of DIRECTOR
- APPOINTMENT of AUDITOR

- Ordinary Resolution will be passed

Special Business

Any Business other than ADDA (at EGM)

Resolutions to be Passed

majority of the matter  
↓  
special Resolutions

few matters  
↓  
ordinary Resolution

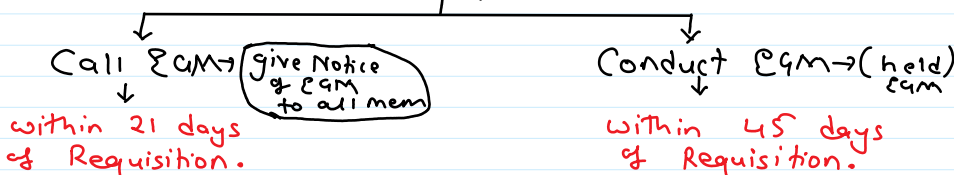
& Always attach.

Explanatory Statement along with Notice of G.M

## Sec 100:- Extra ordinary General Meeting.

Who may call EGM:-

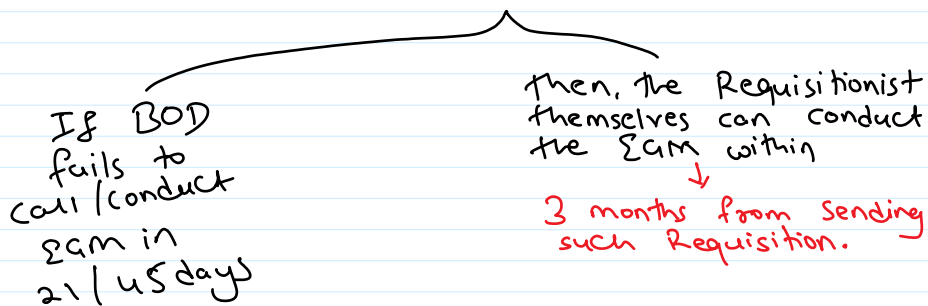
- 1) By BOD → As & when needed.
- 2) By BOD but on Request of members.
  - Requisition is to be given by Mem to BOD.
  - On receiving the Requisition BOD shall



## \*members Required to give such Requisition



### 3) By Requisitionist:- (members who Requested)

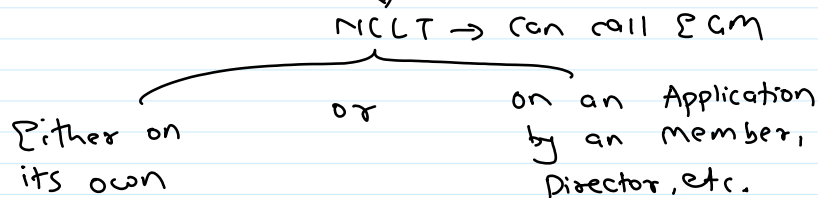


Expenses of such Gen. Meeting → Incurred by Requisitionist.

→ Later, Re-imbursed by Co to Req'...

→ further, Co will deduct such amt from Remuneration of Defaulting Director.

4) NCLT:- When it is not possible to call EGM as per above 3 points.



→ NCLT has power to give Directions w.r.t matter & manner in which the EGM will be conducted.

Eg:- It can give direction like even if 1 member is present, the EGM will be conducted.

## Sec 114:- Types of Resolution

ordinary Resolution

special Resolution  
1.

## Ordinary Resolution



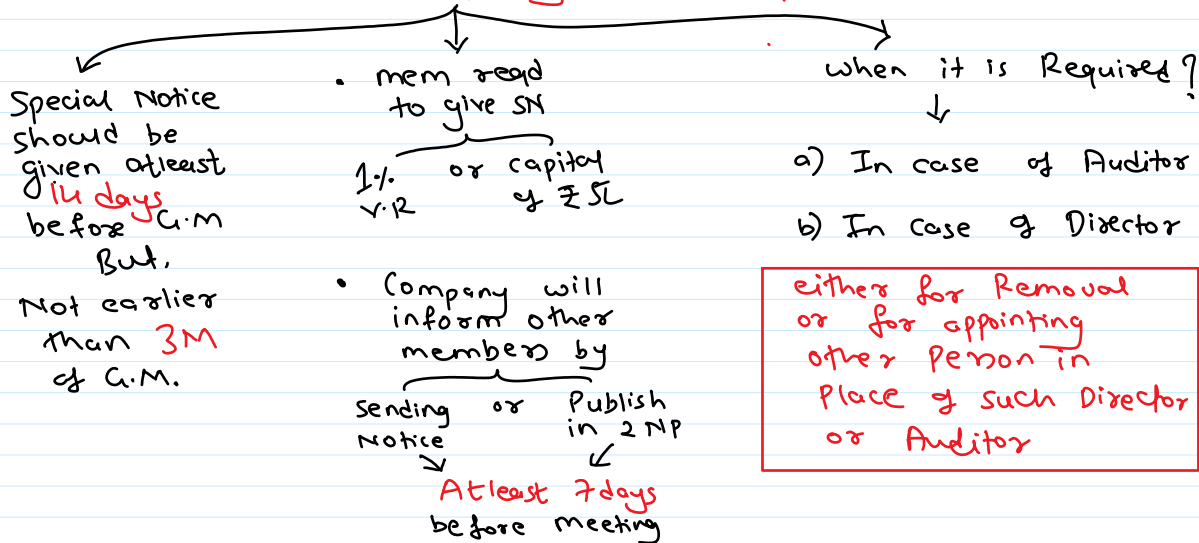
When Votes in favour are **HIGHER** than the votes against it.

## Special Resolution



When Votes in favour are **THREE TIMES** of the votes against it.

## Sec 115:- Resolution Requiring Special Notice



## Sec 101: Notice of General Meeting

1) length:- atleast 21 days before G.M.

- Shorter Notice (less than 21)

- Approval of **95%** of members is to be given.

2) Content of Notice

- ordinary Business
- Special Business.

• If it is Special Business annex Exp St. (sec- 102) which includes:-

- Int of Dir/KMP/Relatives
- Additional Information for Members.
- Int of Dir/KMP in other Co with which the transaction is to be done & they are holding atleast 2% of PUSC of that Co.
- Time & Place where Document can be inspected, which was considered in the Resolution.

Case:- If Exp Stm is Vague (unclear), tricky, misleading then the Resolution passed will be Invalid.

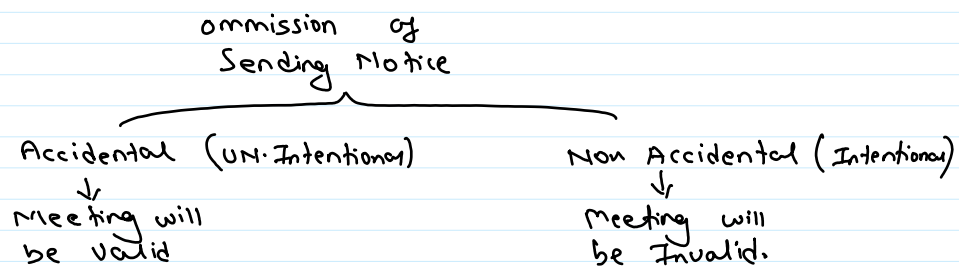
(Central Industrial Alliance v/s Pravin Kantilal Vankar)

3) Entitlement of Notice

- Every Mem, Auditor, Director & **P.S.H**

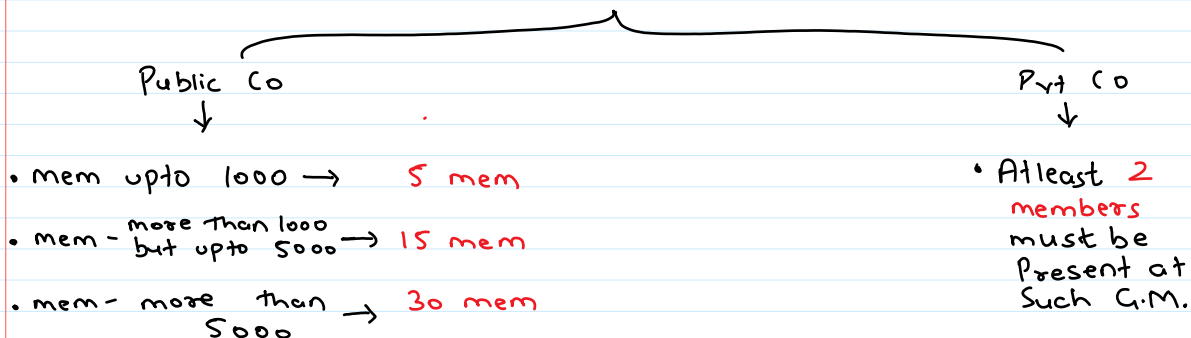
Allowed to attend the G.M but cannot Vote, unless the matter affects interest of P.S.H.

- Case :- Musselwhite vs CH musselwhite & Song.



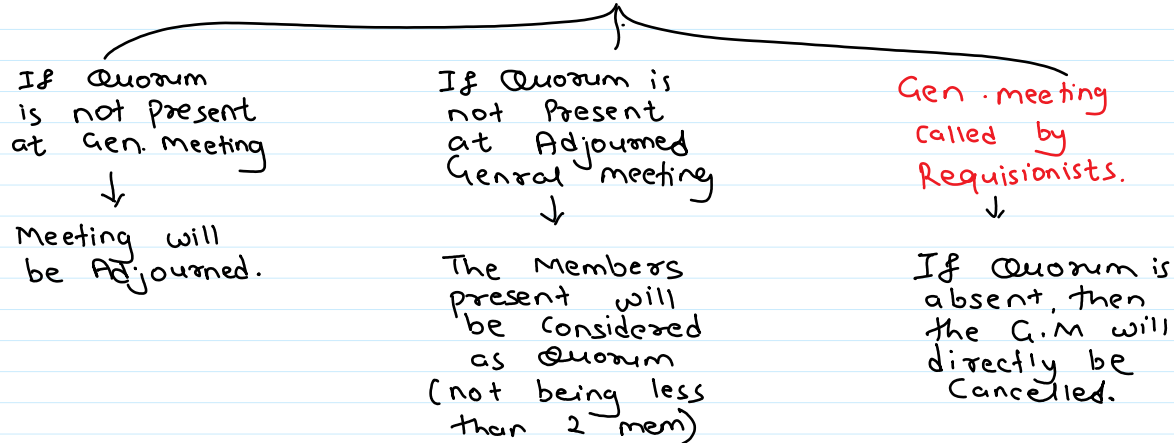
Pg:1

### Sec 103:- Quorum of General Meeting.



Pg:2

### \* Consequences of Quorum.



### Pg:3 - Other Conditions.

- Representative of a Company (u/s 113)
  - Representative of President of India or Governor of State (u/s 112)
 } Deemed Member & will be Counted in Quorum.
- Representative of more than one Body Corporate
 } Such Representative of more than one Body Corporate, will be counted in Quorum w.r.t Such No. of Body Corporates.

Example:- A Ltd, B Ltd, C Ltd holds shares in Reliance Ltd, & A, B, C has appointed Mr X to represent them in General meeting, Hence at G.M of Reliance Mr X will be counted as 3 for Quorum.

Note:- However, if Quorum gets fulfilled by such single representative still to make meeting effective, atleast 1 more member has to be present at such General meeting. As single person cannot constitute a meeting.

eg:-

- Person who has done [voting] } Will be counted in Quorum
- Person who is Related Party } but cannot vote.
- Quorum is Not Required in the matter on which the Resolution is passed by postal Ballot.
- Proxy :- Can attend the meeting, But will Not be counted in Quorum.
- Cases:- ① → Kelantan Coconut Estate Ltd :- Representative of Body Corp, President, Governor :- Considered as member & will be counted in Quorum.
- ② → Neil McLeod & Sons Ltd :- one person attending Gen meeting in more than one capacity will be counted as more than one.

### Appointment of Chairman.

- Person mentioned in AOA
- If Not, CM can be appointed by Show of hands.
- And if Poll, is Demanded, Then the Chairman appointed by SOM (show of Hands) will continue until another CM is appointed by Poll.
- If CM is not present within 15 mins or the designated CM expresses his Unwillingness, & No other Director is Designated → Dir Present will elect 1 among themselves
- However, if None of the Director is willing to act as a CM → Members will elect 1 among themselves by SOM.

### Sec 146 :- Presence of Statutory Auditor & Sec. Auditor at GM

Compulsory

However, If such Auditor is unable to attend G.M

Compulsory



must be present.

However, If such Auditor is unable to attend G.M



Then he should send his Representative who is eligible to be appointed as an Auditor.

Sec 105:- Proxies (Any Person can be appointed as proxy)

- Can be appointed by a member entitled to vote at G.M, to vote on his behalf.
- PSH cannot appoint proxy as they are not entitled to vote at G.M.
- Proxy can vote only in poll voting.
- Proxy cannot speak at the meeting. cannot participate, & cannot inspect Records of Co

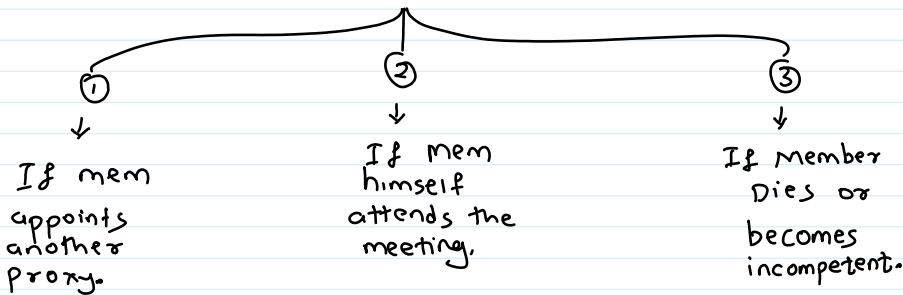
**Limit.**  
↓  
A Person can be appointed as proxy for  
max 50 or such members whose Pusc does not exceed 10% of Total Pusc.

(whichever is Lower)

- The Above limit is not applicable if, a person is appointed as Proxy for a SINGLE MEMBER

- Notice should mention Right to appoint Proxy.
- Mem of sec 8 co can appoint a proxy, who should be mem of such Co.
- Proxy form should be deposited at Reg. of office of the Co, atleast 48 hrs before G.M. (can be reduced by AOA)
- Representative of President, Governor can appoint proxy.
- Proxy form = MGT-11

Revocation of Proxy.



Sec 3A:- Members severally Liable in Certain Cases



- If at any time the num of mebers falls below the requirement (2/7)



& Co carries on Business with such Reduced num of

