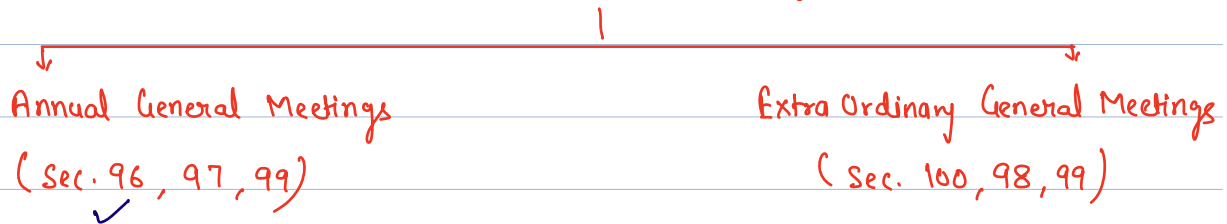


Chapter - 7 "Management and Administration"

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



(A) Annual General Meetings:

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

Examples:

Date of Inc.	First FY - s (41)	<u>Last date</u> by which First AGM to be held
01.08.2021	01.08.21 - 31.03.22	<u>31.12.2022</u>
01.02.2022	01.02.22 - 31.03.23	<u>31.12.2023</u>

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

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

- Subsequent AGM: - to be held within 15 months from date of last AGM.
 - to be held within 6 months from date of closing of financial year.
 - Registrar has discretion to grant extension up to 3 months for special reasons.

Example: For the year 2022:

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

- Time, day and Place of AGM:

- AGM shall be called during business hours.
- AGM shall be called on any day which is not a national holiday.
- AGM shall be held either at registered office of the company, or at some other place within the city, town or village in which registered office of the company is situated.
- However, in case of unlisted companies, AGM may be held at any place in India

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if consent given by all members in writing; or by electronic mode.

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

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

↓

Tribunal may, on application of any member

↓

Call or direct the calling of an AGM

and

give such consequential directions as it thinks expedient.

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

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

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Company and every officer in default are

punishable with fine upto ₹ 1 lakh and

further fine upto ₹ 5,000 for every day

during which default continues.

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

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

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

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

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

Calling of EGM on Request of Members:

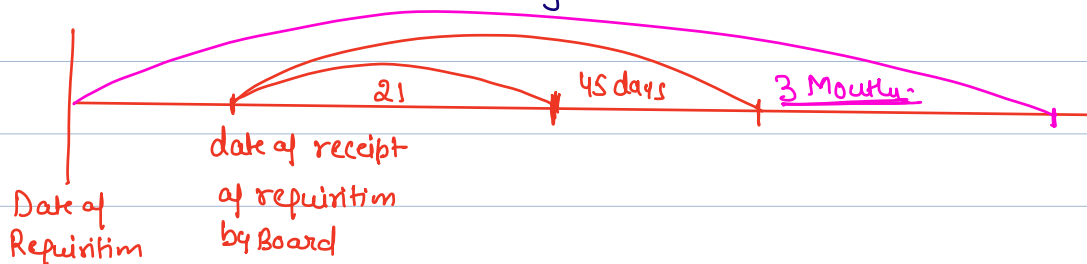
Specified no. of Members (holding $\frac{1}{10}^{\text{th}}$ of PUC or $\frac{1}{10}^{\text{th}}$ of Voting power) shall submit a requisition for EGM

↓

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

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If Board fails to call an EGM, it may be called by the requisitionists themselves - within 3 months of date of requisition
- in same manner in which a meeting is called and held by the Board.



Requirements of Requisition:

- (i) Requisition shall specify the matter for consideration of which EGM is to be called.
- (ii) Requisition shall be signed by all requisitionists.
- (iii) Requisition shall be sent at the registered office of the company.
- (iv) Requisition may be provided in writing or through electronic mode at least 21 days prior to proposed date of meeting.

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

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



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