

Holding of AGM and EGM through video conferencing/other audio-visual means upto 30 September 2024

The Ministry of Corporate Affairs ('MCA') has allowed companies to hold their Annual General Meetings ('AGM's) that fall due in 2023 or 2024 latest by 30 September 2024. These can be conducted through video conferencing ('VC') or any other audio-visual means (OAVM), in accordance with paras 3 and 4 of the General Circular no. 20/2000 dated 5 May 2020.

Para 3 specifies the requirements applicable to:

- A. Companies that are required to provide the facility of e-voting under the Companies Act, 2013 ('the Act') or any other company which has opted for such facility.
- B. Companies that are not required to provide the facility of e-voting under the Act.

Para 4 specifies that all the other compliances associated with the provisions relating to general meetings, i.e., making disclosures, inspection of related documents/registers by members, or authorizations for voting by bodies corporate, etc. as provided in the Act and the articles of association of the company are made through electronic mode.

Also, the circular has allowed companies to conduct their Extra-ordinary General Meetings ('EGM's) through video VC/OAVM or transact items through postal ballot in accordance with the framework provided in General Circulars no. 14/2020, 3/2022 and 11/2022.

Weblink <https://www.mca.gov.in/bin/dms/getdocument?mds=HaKq8Y72SkO5wIQe05fjLQ%253D%253D&type=open>

Therefore

The above circular grants relaxation in timelines for conducting AGMs and EGMs of companies which fall due in 2023 or 2024. The circular clarifies that this relaxation shall not be construed as conferring any extension of the statutory time for holding AGMs under companies under the Act. Hence the companies that have failed to adhere to the relevant statutory timelines shall be liable to legal action under the appropriate provisions of the Act.

This confirmation was much needed for companies to hold the AGM / EGM through online mode, which was creating some ambiguity in the corporate sector, in the absence of clear guidelines.