



# THIRUTHANGAL NADAR COLLEGE

(Belongs to the Chennaivazh Thiruthangal Hindu Nadar Uravinmurai Dharma Fund)

Selavayal, Chennai-51.

A Self-Financing Co-educational College of Arts & Science

Affiliated to the University of Madras

Accredited with 'B' Grade by NAAC

An ISO 9001: 2015 Certified Institution

**NAME OF THE DEPARTMENT: B.Com (CS)**

**SUBJECT : Company Law & Secraterial Practice - II**

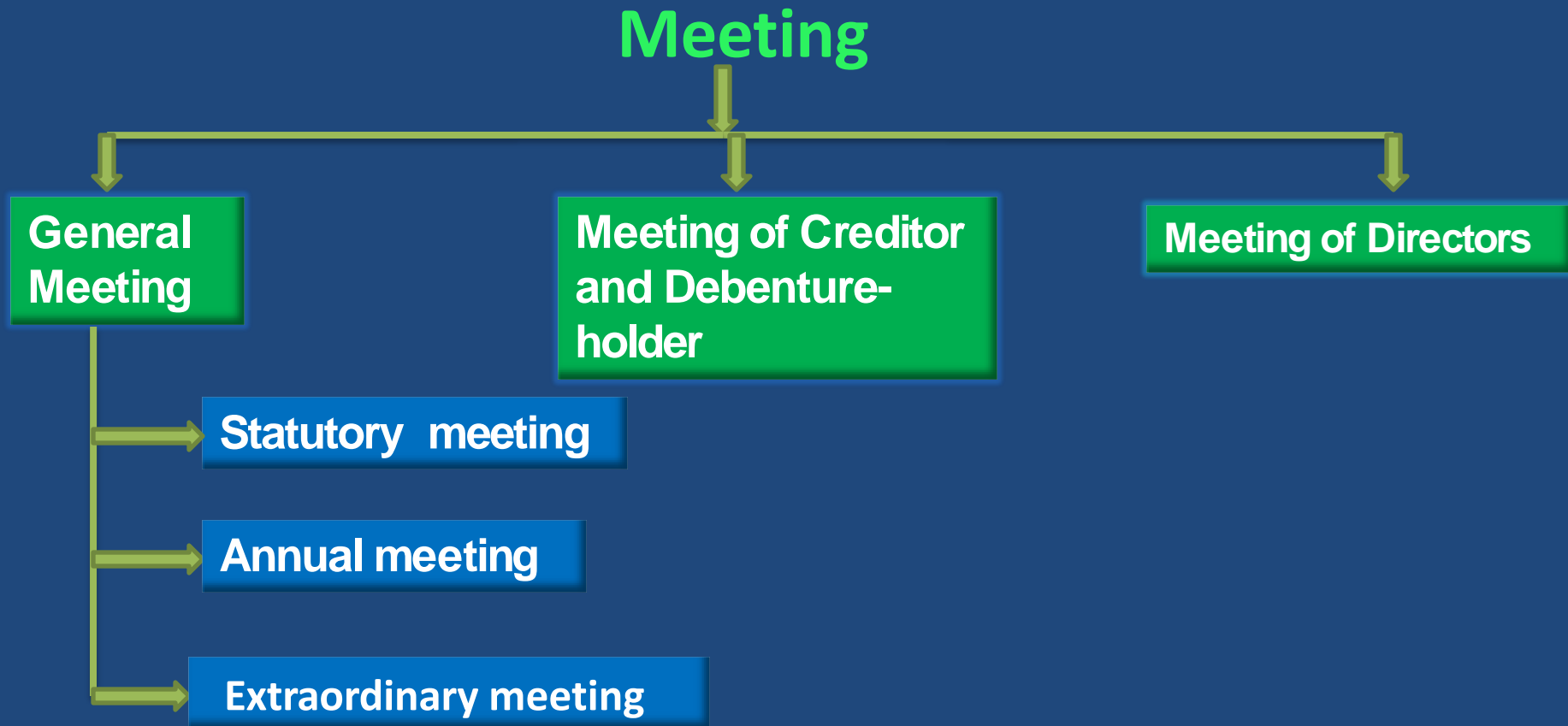
**TOPIC : Company Meeting**

**STAFF NAME : Dr.S.Anitha**

# *Meaning:*

- **Meeting:** *Get together of individuals or persons with some plan is known as meeting.*
- **Business meeting:** *When two or more persons gathered as per given notice to discuss some business matters is known as business meetings.*
- **Company meeting:** *When the members of a company gather at a certain time and place to discuss business affairs it is called company meeting*

# Classification of Company meeting:



# 1. Statutory meeting:

## *Definition:*

Statutory meeting is the first meeting of the members of a public company. It is held once in the life of a public company. Statutory means legal so this meeting is totally based on law. Law enforced the company to call this meeting.

## *Occasion:*

This meeting must be held after 3 months, but before 6 months of obtaining the certificate of commencement of business.

## *Notice of Meeting:*

The directors will send a notice of the meeting to all the members of the company at least 21 days before the meeting. And also send a copy of statutory report to the shareholders and ROC.

# Objectives:

- *To win Confidence*
- *To Provide Latest Information*
- *To Discuss Future Plans*
- *To Discuss Statutory Report*
  - Total number of shares issued
  - Total receipts and total payments
  - Cash received against shares allotted
  - Details of the shares allotted

## ***2. Annual General meetings :***

### ***Definition:***

Every public company will hold Annual General Meeting of its members every year. This meeting is to be call and held by the directors of the company.

### ***Occasion:***

The first annual general meeting must be held within 18 months from the date of its incorporation. The next meeting must be held once in every calendar year within 4 months after closing of its financial year. The interval between the two meetings must not exceed than 15 months.

### ***Notice of the Meeting:***

The directors will send a notice of the meeting to all the members of the company at least 21 days before the meeting. It should also be published in newspaper.

# Objectives:

- *To check Annual Accounts*
- *Declaration of Dividend*
- *Election of Directors*
- *Appointment of Auditor*

### ***3. Extraordinary meetings:***

#### ***Definition:***

All general meetings other than annual general meeting and statutory meeting are known as Extra-Ordinary General Meetings. This meeting is held on the special occasions or you can say in the emergency situations when directors think that it necessary. For example; at the plan of merger etc

#### ***Occasion:***

This meeting is held on the special occasion and in the emergency situation.

#### ***Notice of the Meeting:***

The directors will send a notice of the meeting to all the members of the company at least 21 days before the meeting.



# Directors Meeting:

A Board of Directors generally must conduct a Board meeting to make company decisions, frame the general policy of the company, direct its affairs, appoints the company officers, ensures that they carry out their duties and recommend to the share holders regarding distribution of dividend.

A quorum represents the minimum amount of directors is 2 directors.

There are also essentially 2 types of directors' meetings:

**(i) special:** A special meeting is one called by a majority of the director for a particular purpose or purposes. **(ii) scheduled:** A scheduled meeting is generally set forth in the corporation's Bylaws or Articles of Incorporation.

Advisory boards merely act as advisors for the Board of Directors. It is therefore the Board of Directors that holds responsibility for the overall success and failure of the corporation.

# Requisites of a valid meeting:

## 1. Proper Authority:

The proper authority to convene a general meeting of a company is the Board of Directors. The Board should pass a resolution to call the general meeting. If the directors do not call the meeting, the member or the Company Law Board may call the meeting.

## 2. Notice of meeting:

Proper notice of the meeting should be given to all the members and all others who are entitled to attend the meeting. A general meeting may be called by giving a notice of less than 21 days. If the notice of a meeting is not given to every person entitled to receive notice, then any resolution passed at the meeting will be of no effect but accidental omission may be valid.

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## 3. Quorum for meeting:

Quorum means the minimum number of members who must be present to constitute a valid meeting. The quorum is generally fixed by the Articles. 5 members personally present in the case of Public Company and 2 in the case of any other company.

## 4. Chairman of meeting:

A chairman is necessary to conduct a meeting. He is the presiding officer of the meeting. Unless the Articles of a company otherwise provide, the members personally present at the meeting shall elect one of themselves to be the chairman of the meeting on a show of hands.

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## 5. Minutes of meeting:

Minutes are a record of what the company and directors do in meetings. The book in which the record of the proceedings of a meeting is kept is known as the minute book. Separate minute books are required to be kept.

Each page of the minute book which records proceedings of a Board meeting shall be initialed or signed by the chairman of the same meeting or the next succeeding meeting.

**Proxy** refer to a person who is authorized by a member of a company to attend and vote at a meeting of the co on his behalf.

# Resolution:

- **ORDINARY RESOLUTION –**

Company Act, an ordinary resolution is one which is passed by a simple majority of votes of members present in person or by proxy at a properly constituted & convened general meeting.

- **SPECIAL RESOLUTION-**

Company Act, a special Resolution is one which is passed by at least 3/4<sup>th</sup> majority of votes of members present in person or proxy at a properly constituted & convened G.M.

# WHEN IS ORDINARY RESOLUTION REQUIRED?

- Issue of shares at discount
- Alternation of share capital
- Re-issue of redeemed debentures
- Adoption of statutory report
- Passing of annual accounts and balance sheet, along with reports of Board of directors and auditors
- Increase or reduction in the no. of directors within the limit fixed by the Articles
- Appointment of managing/whole-time director
- Removal of a director and appointment of a director in his place
- Winding up a company voluntarily in certain events
- Etc.

# WHEN IS A SPECIAL RESOLUTION REQUIRED?

- **Change of name of a company with the consent of the Central Government**
- **Alternation of the Articles of a company**
- **Reduction of share capital**
- **Variation of shareholders rights**
- **Applying to the Court to wind up a company**
- **Allowing a director to hold an office of profit under a company**
- **Etc.**