

OVERVIEW OF
COMPANIES ACT,2013

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**MANAGEMENT
AND
ADMINISTRATION**

ANNUAL GENERAL MEETING (SECTION 96)

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A	One Person Company	Not required to hold AGM
B	First AGM	Within 9 months from the closure of first F.Y.
C	Next AGM	Within 6 months from the close of the F.Y.
		AGM can only be held between 9a.m.- 6 p.m.
		AGM can be held on holidays but not on national holidays.
D	Penalties for non-compliance	Upto Rs.1,00,000 Or Rs.5000/- per day.

Notice of General Meeting

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- May be given by electronic mode also.
- To all the Directors.
- Length of notice - 21 clear days (21 days in 1956 Act)
- Shorter notice - with consent of 90% shareholders (100% in 1956 Act)
- For Special business, the nature of concern or interest shall be specified for:
 - a) Director or Manager
 - b) KMPs
 - c) Relative of (a) & (b)

General Meeting on Requisition

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Eligibility (Section 100)

- ❖ Company having share capital – not less than $1/10^{\text{th}}$ of paid up capital having voting rights.
- ❖ Company not having capital not less than $1/10^{\text{th}}$ of total voting power.

QUORUM OF MEETING (Section 174)

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❖ In case of Public Company :

- ❖ No. of members not more than 1000 : 5
- ❖ No. of members 1000 to 5000 : 15
- ❖ No. of members more than 5000 : 30

❖ In case of Private Company :

- ❖ 2 members personally present

PROXIES (Section 105)

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- ❑ Members of Section 8 companies shall not be entitled to appoint proxies unless such person is also a member (Rule 7.7).
- ❑ One person cannot represent proxy for more than 50 members or more than 10% of voting powers

Voting through electronic means (Section 108)

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- ❑ Applicable to :
 - The listed company or
 - Company having 1000 or more shareholders may provide

DEMAND FOR POLL (Section 103)

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Eligibility :-

- Company having share capital : not less than $1/10^{\text{th}}$ of total voting power or aggregate value of shares not less than 5,00,000 (50,000 in 1956 act).
- Others : Not less than $1/10^{\text{th}}$ of voting power

POSTAL BALLOT (Section 110)

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- Now provisions for postal ballot are applicable for all companies whether listed or unlisted.

ANNUAL RETURN (Section 92)

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In addition to the existing particulars following more particulars are required to be given in the annual return.

- Principal business activities
- Particulars of holding, subsidiaries and associate companies.
- Details of other securities issued
- Details of Promoters, KMPs and changes in these since last F.Y.
- Details of meetings of members, Board & Committees alongwith attendance details
- Remuneration of Directors & KMPs
- Penalties or punishment imposed on company, directors or officers
- Details of compounding of offences and appeal thereof (if any)
- Details of shares held by Foreign Institution; name, address and percentage

ANNUAL RETURN (Section 92)

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- ❖ Listed company or company having paid up capital of **Rs.10.00 crores or more and turnover of Rs.50.00 crores or more.** Practicing CS shall certify AR._
- ❖ Annual Return is to be prepared as on the close of the F.Y.
- ❖ Annual Return is to be signed in case of OPC or small company : **by CS or by Director**
- ❖ In case of other company : **by one Director with CS or CS in practice.**

Secretarial Audit (Section 204)

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- ❖ Every listed and other public company having paid up capital of Rs.50.00 crores or more or turnover of Rs.250.00 crores or more shall obtain secretarial audit report from Company Secretary in practice.

REPORT ON AGM (SECTION 121)

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- In addition to the minutes of the AGM, every listed company shall prepare a report which contain following information:
 - Day, date, time and venue.
 - Confirmation to appointment of Chairman
 - No. of members attending meeting
 - Confirmation of Quorum
 - Confirmation of compliances of Acts & Rules
 - Confirmation of Secretarial Standard Compliance

REPORT ON AGM (SECTION 121)

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- Business transacted and result thereof.
- Particulars of any adjournment, postponement.
- Any other point relevant for inclusion in report
- Report shall contain fair and correct summary of meeting
- will be filed in 30 days.
- Report shall be signed by Chairman or by 2 Directors (one should be MD)

Every listed company shall file return in respect of increase or decrease of 2% or more shareholding of promoters and top 10 shareholders shall file return within 15 days.

Minutes (Section 118)

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Minutes are required for :

- Every meeting of shareholders of any class
- Creditors
- Resolution passed by Postal Ballot
- Company should follow secretarial standards
- Distinct minute book shall be maintained for:-
 - General Meeting
 - Creditors meeting
 - Committees meeting

Minutes (Section 118)

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- ❑ Resolution by postal ballot will also be recorded in Minute Book.
- ❑ Minute book shall be preserved permanently.
- ❑ Shall be kept in custody of CS or authorised Director.
- ❑ Penalty for tampering of minutes, imprisonment of 2 years and fine from Rs.25,000/- to Rs.1,00,000/-

Maintenance and Inspection of documents in electronic form (Section 120)

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- ▣ Applicable for **listed company** or
- ▣ Company having **not less than 1000 shareholders /** debentures or other security holders
- ▣ Shall maintain records in electronic form
- ▣ The documents in electronic form must contain
 - Same format
 - All information is required under act
 - should be readable, retrievable and re-producible in printing form
- ▣ Capable to sign digitally.
- ▣ should not be editable after signature
- ▣ Should be in custody of CS, MD or any other authorised Director

STATUTORY REGISTERS

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- Now statutory register are required for all kind of securities.
- Should be maintained separately for members residing in India and outside India.
- Record should be maintained at registered office, or
- At any other place where more than 1/10th of total members reside (with special resolution)

Management & Administration

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Register of Members	MGT I
Compliance for existing company	Within 6 months
Entry	Within 7 days
Index	Not required, if members <50.

Management & Administration

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Foreign Registers

Intimation to ROC	30 days
Change to R.O.	30 days
Transmission to Entry to R.O.	30 days
Duplicate Register	At R.O.

Preservation of Records

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- ❖ Member's Register : Permanently
- ❖ Register of debenture holders / other security holder : 8 years
- ❖ Copies of A/Rs documents, certificate : 8 years
- ❖ Foreign Register : Permanently

Declaration of Beneficial Interest in shares (Section 89)

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- Members shall declare beneficial interest within 30 days.
- Change in beneficial interest within 30 days.
- The company shall file such particulars with ROC in 30 days.



THANK YOU