



Ministry of Corporate Affairs issue clarification on holding Annual General Meeting through Video Conferencing and other audio visual means during the calendar year 2020.

In view of the continuing restrictions on the movement of persons at several places in the country due to covid-19 and lockdown, the MCA has issued a circular no. 20/2020 dated 05.05.2020 addressing all the Regional Directors, Registrar of Companies, and Stakeholders to clarify norms for holding of Annual General Meeting through video conferencing (VC) and other audio visual means (OAVM) during the calendar year 2020.

MCA clarified that the framework provided in the earlier circulars No. 14/2020, dated 08.04.2020 and Circular No. 17/2020 dated 13.04.2020 for holding of extraordinary general meeting (EGM) would be applicable making necessary changes and keeping the purpose intact for conduct of AGMs during 2020, based on the classification of companies which are required to provide the facility of e-voting or have opted for the same

and those which are not required to provide such facility.

MCA also clarified that companies which are not required to provide the facility of E-voting can conduct AGM through video conferencing and other audio visual means if it have in records, the email addresses of at least half of its total number of members, who:

- **In case of Nidhi Company:** hold shares of more than one thousand rupees in face value or more than one percent of the total paid-up share capital, whichever is less;
- **Companies having share capital:** represent not less than seventy-five percent of such part of the paid-up share capital of the company as gives a right to vote at the meeting
- **Companies not having share capital:** have the right to exercise not less than seventy-five percent of the total voting power exercisable at the meeting.

Hence all these companies will have to take such necessary steps to register the email addresses

of all persons who have not registered their email addresses with the company

Further, owing to the difficulties in sending physical copies of the documents, the circular allows the companies to send the financial statements, along with board reports, auditor's reports and other documents required to be attached therewith, only through email.

The companies are also required to provide a window to the shareholders for registering their mandate for transferring dividends electronically to them through the Electronic Clearing Service (ECS) or any other means.

MCA also advise all such companies whose Financial Year have not ended on 31st December, 2019 and which are unable to conduct their AGM in accordance with the framework provided in this circular to prefer application for extension of AGM at the suitable point of time before the concern ROC under section 96 of Companies Act, 2013.

[Click here for detailed circular of Ministry of Corporate Affairs .](#)

Sources: MCA General Circular dated 05.05.2020

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