

NEWSALERT

BOARD/SHAREHOLDER'S MEETINGS THROUGH e-MODE



Participation of the Shareholders in General Meetings by videoconferencing

The shareholders of Indian companies have been allowed to participate in general meetings through videoconferencing. However, the same is subject to the compliance of requirements and procedures prescribed in General Circular No. 27/2011 issued by MCA on May 20, 2011 such as (i) The shareholders should be informed about the video conferencing facility and how the same can be accessed; (ii) The obligation to ensure privacy, facilitation, clarity, recording of the minutes of the meeting held through videoconferencing has been cast upon the Chairman or Secretary; (iii) The chairman of the general meeting and the quorum of the general meeting should be physically present at the place of the general meeting.

Participation of the Directors in Board Meetings by videoconferencing

The directors of Indian companies have been allowed to participate in Board meetings through videoconferencing. However, the same is subject to the compliance of the requirements and procedures prescribed in General Circular No. 28/2011 issued by MCA on May 20, 2011 such as (i) Every director must attend at least one Board meeting in person during a financial year; (ii) The obligation to ensure privacy, facilitation, clarity, recording of the minutes of the meeting held through videoconferencing has been cast upon the Chairman or Secretary; (iii) The director should be informed about the video

conferencing facility and how the same can be accessed; (iv) Confirmation should be obtained regarding the mode of attending the meeting by the directors; (v) the obligation of making the roll call, recording the particulars of the directors, quorum, decisions taken at the meeting has been cast upon the Chairman/Secretary; (vi) Draft minutes of the Board meeting should be circulated within 7 days of the meeting for clearance of any doubts.

For complete list of requirements and procedures prescribed under General Circulars 27/2011 and 28/2011, the text of the said Circulars is available on the website of Ministry of Corporate Affairs may be referred.