

# SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2)

- Issued by The Institute of Company Secretaries of India (ICSI)
- Effective from 1st April 2024

# INTRODUCTION

- SS-2 prescribes principles for convening and conducting General Meetings to ensure compliance with regulatory requirements.
- It provides a structured framework for conducting Annual General Meetings (AGMs), Extra-Ordinary General Meetings (EGMs), and other statutory meetings.
- The standard is mandatory for companies as per Section 118(10) of the Companies Act, 2013, ensuring uniformity and standardization in meeting procedures.
- SS-2 covers aspects such as sending notices, quorum requirements, voting procedures, proxies, and maintaining meeting minutes.
- The introduction of e-voting and postal ballot provisions ensures greater shareholder participation and decision-making transparency.
- Adoption of SS-2 promotes corporate governance by enhancing accountability, transparency, and ethical conduct in company operations.
- Compliance with SS-2 minimizes the risks of legal disputes and ensures smooth decision-making processes in corporate entities.

## SCOPE OF SS-2

- Applicable to all General Meetings of companies incorporated under the Act.
- Not applicable to:
  - One Person Company (OPC)
  - Companies registered under Section 8 of the Companies Act (except where required)
- Exemptions apply only if the company has no filing defaults.(only for private company)
- Also applies to meetings of debenture-holders and creditors.
- Governs AGMs, EGMs, and meetings convened by regulatory bodies.

# KEY DEFINITIONS

- **General Meeting:** A duly convened and conducted meeting of members.
- **Ordinary Business:** Matters transacted at AGMs (e.g., financial statements, director appointments).
- **Postal Ballot:** Voting method allowing members to cast votes without physical presence
- **Proxy:** A person appointed to vote on behalf of a member.
- **Quorum:** Minimum number of members required for a meeting.
- **Remote E-Voting:** A system that allows shareholders or members to cast their votes electronically from any location before or during a meeting.
- **Scrutinizer:** A professional appointed to oversee fair voting practices.
- **Special Business:** Any business transacted at a general meeting that is not considered ordinary business, requiring a special resolution.
- **Voting by electronic means:** Includes remote e-voting and voting at meetings.

## CONVENING A MEETING

- **Authority:** Meetings are convened by or on the authority of the Board.
- **Annual General Meeting (AGM):** Must be held every calendar year within six months of the financial year-end.
- **Extra-Ordinary General Meeting (EGM):** Called as needed or upon member requisition.
- **Court-Convened Meetings:** Special circumstances where judicial authorities call meetings.

# FREQUENCY OF MEETINGS

- **Annual General Meetings (AGM):**
  - 1<sup>st</sup> AGM should be held within **9 months** from the end of **1<sup>st</sup> financial year**
  - Held once a year within **6 months of the financial year-end**.
  - Held within **15 months** from the date of last **AGM**
- **Extraordinary General Meetings (EGM):**
  - Convened as required for special business not for ordinary business.
  - Can be called by the board, requisitionists, or in some cases, regulatory authorities.
  - Used for special resolutions such as mergers, acquisitions, or capital restructuring.

# REQUISITIONISTS??

- **Who Can Requisition a Meeting?**
  - Members holding at least **10% of the paid-up capital or voting rights** can requisition a meeting.
  - In case of companies without share capital, **members holding at least 10% of the total voting power** can make the request.

# CONVENING A MEETING – MEETING BY REQUISITIONISTS

- **Requisition Requirements:**
  - Must be in writing and specify the meeting's purpose.
  - Should be signed by all requisitionists and submitted to the board.
  - Must be sent to the registered office of the company.
- **Board Responsibilities:**
  - The board must convene the meeting within **21 days of receiving the requisition.**
  - The meeting must be held within **45 days from the date of requisition submission**
  - If the board does not convene the meeting within the prescribed period, **the requisitionists themselves may call and hold the meeting.**
- **Notice Requirements for Requisitioned Meetings:**
  - Standard **21-day notice period** applies unless waived with appropriate consent.
  - Notice must specify the meeting's agenda, time, place, and mode (physical, hybrid, or electronic).
  - Must be sent to all shareholders via permitted communication modes (email, postal mail, or publication).
  - Companies must publish the notice on their website, if applicable, and notify stock exchanges for listed entities.



# NOTICE OF MEETINGS

- **Hosting on Website:** Notice should be published on the company's website, if applicable, at least **21 days before the meeting**.
- **Date Selection:**
  - Should not fall on a national holiday.
  - Public holidays and weekends should be avoided for convenience.
- **Timings:**
  - Must be during working hours (**between 9 AM and 6 PM**).
- **Venue:**
  - AGM should be held at the registered office
  - EGM can be held anywhere .
  - ❖ **Contents:**
    - Date, time, venue, and agenda.
    - Explanatory statements for special business.
    - Information on proxy rights and e-voting procedure.
    - Route map to the venue for easy location.
- **Mode of Dispatch:** Companies may use secured electronic communication

# SHORTER NOTICE REQUIREMENTS

- **Consent Requirement:**
  - Allowed if **95% of shareholders (in value) consent** to it.
  - For board meetings, shorter notice is permitted if at least **one independent director is present**, or decisions are later ratified by an independent director.
- **Mode of Communication:**
  - Shorter notice must still be communicated via permitted channels (electronic mail, hand delivery, or courier).
- **Stakeholder Awareness:**
  - Ensuring key shareholders are informed despite the reduced notice period is crucial for compliance and transparency.

# QUORUM REQUIREMENTS

- **Public Company Quorum:**
  - 5 members personally present (if the number of members is less than 1,000).
  - 15 members personally present (if the number of members is between 1,000 and 5,000).
  - 30 members personally present (if the number of members exceeds 5,000).
- **Private Company Quorum:** Minimum of 2 members personally present.
- **Quorum Conditions:**
  - Quorum must be present throughout the meeting.
  - If quorum is not met within 30 minutes, the meeting stands adjourned to the same day in the next week at the same time and place, or as determined by the Board.
  - If at the adjourned meeting quorum is not met within half an hour, the members present shall constitute the quorum, unless otherwise specified in the Articles of Association.
- **Exclusion from Quorum Count:(Not applicable to private company)**
  - Members who are not entitled to vote on a particular resolution due to conflict of interest (such as related party transactions) shall not be counted for quorum purposes.

## PRESENCE OF (AR) IN QUORUM.

- **Presence of Authorized Representatives (AR) of Body Corporates:**
  - Corporate shareholders can send ARs to represent them.
  - ARs count towards quorum if properly authorized.
  - Proper documentation (e.g., board resolution authorizing the AR) must be submitted before the meeting.
- **Presence in Electronic Meetings:**
  - For meetings held via electronic means, quorum requirements are satisfied if members log in and participate actively during the meeting session.

# CHAIRMAN OF THE MEETING

- **Role and Responsibilities:**

- Presides over the meeting to ensure proper conduct.
- Facilitates discussions, oversees voting, and ensures fairness.
- Declares results based on voting outcomes.

- **Appointment:**

- As per company articles or by shareholder vote.
- In absence of a designated chairman, members present elect one among themselves.

# PROXIES

- **Definition:** A proxy is a person appointed by a member to attend and vote on their behalf.
- **Key Provisions:**
  - Proxy forms must be submitted at least **48 hours before the meeting**.
  - A proxy need not be a member unless stated otherwise in the company bylaws.
  - A member can appoint **up to two proxies**, but voting rights are split accordingly.
- **Rights of a Proxy:**
  - A proxy has the same voting rights as the member they represent.
  - Can participate in voting via show of hands or electronic means.
  - Eligible to demand a poll on any resolution.

# **PROXIES (RESTRICTIONS & REVOCATIONS & VALIDITY)**

- **Restrictions:**
  - Proxies cannot speak at the meeting unless explicitly authorized by the member.
  - Companies may impose limits on the number of proxies one person can hold.
  - Proxy forms must adhere to the format prescribed by company regulations.
- **Revocation and Validity:**
  - A proxy appointment can be revoked before the meeting by submitting a written notice to the company.
  - Proxy appointments are valid only for the specific meeting for which they are granted.
  - Any voting done by a proxy before revocation remains valid.

# SCRUTINIZERS' PROVISIONS

- **Appointment of Scrutinizer:**
  - A qualified individual (such as a Chartered Accountant, Company Secretary, or Cost Accountant) is appointed as a scrutinizer.
  - Must be independent and not connected with the company.
- **Role & Responsibilities:**
  - Verifies and validates votes cast via remote e-voting and at the meeting.
  - Ensures fairness, accuracy, and compliance with applicable laws.
  - Prepares and submits a detailed report on voting outcomes to the Chairman.
- **Timeline for Report Submission:**
  - Scrutinizers must submit their report within **48 hours of the voting conclusion**.
- **Safeguards & Compliance:**
  - Ensures no duplication of votes.
  - Maintains confidentiality of voting data.
  - Provides proper documentation for regulatory compliance.



# MINUTES

- Minutes must be prepared within 30 days.
- Must include a record of all proceedings and resolutions.
- Maintained permanently and available for inspection.
- Changes to resolutions must not alter their core purpose.
- Digital records must be securely stored for future reference.

# RECORD

- **Minutes Documentation:**
  - Minutes must record key discussions, decisions, and resolutions.
  - Should be signed by the chairman and maintained in official records.
- **Storage & Accessibility:**
  - Companies must preserve minutes for at least **8 years** from the meeting date.
  - Copies should be made available to shareholders upon request.
- **Legal Compliance:**
  - Minutes must adhere to company law and regulatory frameworks.
  - Any tampering or alteration is strictly prohibited.
- **Formats:**
  - Can be maintained in **physical or electronic format**.
  - Must be securely stored to prevent unauthorized modifications.

# PRESENCE OF KEY OFFICIALS

- Directors must attend and explain absences.
- The Chairman of the Board presides over the meeting.
- Auditors and Secretarial Auditors have the right to be heard.
- Chairman of key committees (Audit, Nomination & Remuneration, Stakeholders Relationship) must be present.
- Independent directors should be available for shareholder queries.

# VOTING PROCEDURES

- **Show of Hands:** Default method unless a poll is demanded.
- **Poll:** Conducted if demanded by members or required by law.
- **E-voting:** Mandatory for listed companies and those with 1,000+ members.
- **Postal Ballot:** Required for specific business items.
- Members who have voted via remote e-voting cannot vote at the meeting.
- **Counting of Votes:** A scrutinizer ensures fair vote counting and report submission.

## PASSING OF RESOLUTIONS BY POSTAL BALLOT

- Required for specific resolutions instead of a physical meeting.
- Must follow proper notice, e-voting, and voting procedures.
- Results must be declared within 7 days of closing the vote.
- Postal ballot results must be displayed on the company's website and notice board.
- Ensures wider participation of shareholders unable to attend meetings.

# DISCLOSURE AND REPORTING

- Companies must file a report on the AGM with the Registrar of Companies.
- Disclosure of resolutions and voting results in the company's Annual Report.
- Secretarial compliance must be audited and reported.
- Publicly listed companies must report results to stock exchanges.
- Records should be accessible to shareholders for transparency.

# CONCLUSION

- SS-2 ensures transparency, compliance, and efficiency in conducting General Meetings.
- Adherence to these standards strengthens corporate governance.
- Companies must comply with SS-2 to avoid penalties and maintain good governance practices.
- Ensures shareholder participation and protection of investor rights.
- Promotes accountability and fair decision-making within companies.

*Thank  
You*

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