

## Report on Annual General Meeting (Sec 121)

### 1. Legislative background

The notes on clauses to the Companies Bill, 2011 read as follows:

“Clause 121.—This new clause seeks to provide that every listed company shall prepare a report on each annual general meeting including the confirmation to the effect that the meeting was convened, held and conducted as per the provision of the Act and the rules made thereunder. A copy of this report shall be filed with the Registrar. The clause also provide penalty if company fails to file the report under this clause before the expiry of the period specified under clause 403.”

### 2. Listed company to prepare a report on annual general meeting

Sub-section (1) of section 121 mandates a listed company to prepare a report on each annual general meeting in addition to the minutes of the meeting. The said report shall include a confirmation to the effect that the meeting was convened, held and conducted as per the provisions of this Act and the rules made thereunder.

### 3. Content of the report

Rule 31 prescribes the content and manner of preparation and filing the report. The report shall contain the following details as per rule 31 (1) (c) and (d):

- i. the day, date, hour and venue of the annual general meeting;
- ii. confirmation with respect to appointment of chairman of the meeting;
- iii. number of members attending the meeting;
- iv. confirmation of quorum;
- v. confirmation with respect to compliance of the Act and the Rules, secretarial standards with respect to calling, convening and conducting the meeting;
- vi. business transacted at the meeting and result of the same;
- vii. particulars with respect to any adjournment, postponement of meeting, change in venue; and
- viii. any other points relevant for inclusion in the report.

ix. fair and correct summary of the proceedings of the meeting

The said report shall be a complete account of the annual general meeting. The help given with Form MGT-15 states that “some key points related to the meeting held” shall be stated in fair summary of the proceedings.

#### 4. Signing of the report

The report so prepared shall be dated and signed by the chairman of the meeting. In case of inability of the chairman to sign the report, any two directors of the company, one of whom shall be managing director, if there is one and company secretary of the company shall sign the report.

#### 5. Filing of the report

The report so prepared shall be filed with the Registrar in Form MGT-15 within 30 days of the conclusion of the annual general meeting along with the fees as prescribed in the Companies (Registration Offices and Fees) Rules, 2014. If the said report is not filed within the prescribed period, the same shall be filed within the additional period of 270 prescribed in section 403.

It should be noted that this report is to be filed after the conclusion of the annual general meeting and not from the last due date of the meeting. Hence, if no annual general meeting is held in any year, the offence under this section will be consequently committed.

#### 6. Punishment and Compoundability

If a company fails to file the report under sub-section (2) before the expiry of the period specified under section 403 with additional fee (i.e. within a period of 300 days from the conclusion of annual general meeting), the company shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees and every officer of the company who is in default shall be punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to one lakh rupees. The offenses committed by company and officer, being punishable only with fine, are compoundable under section 441 of the Act.

*Contents of Geeta Saar, as extracted from ICSI Premier on Company Law, is as per notified law as on 30<sup>th</sup> September, 2016.*