**Semester II (UG)**

**Subject: Company Law**

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**MEETINGS: Meaning**

Meeting may be defined as the gathering, assembly or coming together of two or more persons for transacting any lawful business. For proper working of the company, it is necessary that the shareholders meet as often as possible and discuss matters of mutual interest and take important decisions.

Company meetings play a significant role in decision making process. They provide an opportunity to shareholders to review the working of the company and take policy decisions, thereby controlling the Board of directors. The directors are duty-bound to follow the decisions taken at the general meeting of shareholders. Meetings constitute a very important aspect in the management and administration in the company form of organisation.

**KINDS OF MEETINGS**

Company meetings can broadly be classified as follows

 **1) Meetings of Shareholders**: Such meetings are also known as general meeting of the members which are held to exercise their collective rights. The meetings of the shareholders may again be of the following four types:

a) Statutory Meeting;

b) Annual General Meeting;

c) Extraordinary General Meeting;

d) Class Meeting.

**2) Meetings of Directors:** The directors are to act collectively in the form of a board, and the decisions are taken at the meetings of the Board of directors.

These meetings may again be of two types:

a) Meetings of the Board of directors; and

b) Meetings of the committee of directors.

**3) Other Meetings:** These meetings may be either of the following:

a) Meetings of debenture-holders;

b) Meetings of creditor

***STATUTORY MEETING***

Some of the most important legal provisions regarding the statutory meetings are:

 1. It is required to be held only by a public company having a share capital. A private company or a public company registered without share capital is under no obligation to hold such a meeting.

2. It must be held within a period of not less than one month and not more than six months from the date at which the company is entitled to commence business.

3. At least 21 days before the day of meeting, a notice of the meeting is to be sent to every member stating it to be a statutory meeting.

4. The Board of directors should also get a report, called the statutory report, sent to each member along with the notice of the meeting.

5. The members present at the meeting may discuss any matter relating to the formation of the company or arising out of the statutory report without previous notice having been given.

6. The meeting may adjourn and the adjourned meeting has the same powers as the original meeting. The adjourned meeting, therefore, may do anything which could have been done by the original meeting.

7. If default is made in complying with the provisions of Sec.165, the following consequences may follow: (a) Every director or other officer of the company who is in default shall be punishable with fine up to 5,000. (b) The Registrar or a contributory may apply to the court for the winding up of the company [Sec.439]. However, the court may, instead of Notes passing an order for winding up, give directions for the holding of the meeting for filing of the statutory report.

8. It should be remembered that this meeting is required to be held only once in the life time of a public company, having a share capital.