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Vellore Institute of Technology  
(Deemed to be University under section 3 of UGC Act, 1956)

# Legal Aspects of Business

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# Recapitulate

## The companies Act, 2013

### Membership

- Introduction
- Mode of acquiring membership
- Who can become members?
- Cessation of membership
- Rights & Liabilities of members



# The Companies Act, 2013

## Meetings

A meeting is a gathering of people to present or exchange information, plan joint activities, make decisions, or carryout actions already agreed upon. In other words, as assembly of relevant persons validly convened through proper notice for transacting business mentioned in an agenda is known as a meeting.

# The Companies Act, 2013

## Requisites of a Valid Meeting

1. A meeting is any kind, to be valid, must satisfy the following conditions.
2. It must be properly convened. That is, it should be called by the proper authority entitled to call the meeting. The proper authority to convene the meeting is the Board of directors, shareholders or the Company Law Board
3. It must be legally constituted. This means that the meeting should have a proper chairman; quorum must be present
4. It should be conducted according to the provisions of the Act and the Articles
5. It should be properly conducted



# The Companies Act, 2013

## Kinds of Meeting

### Meetings



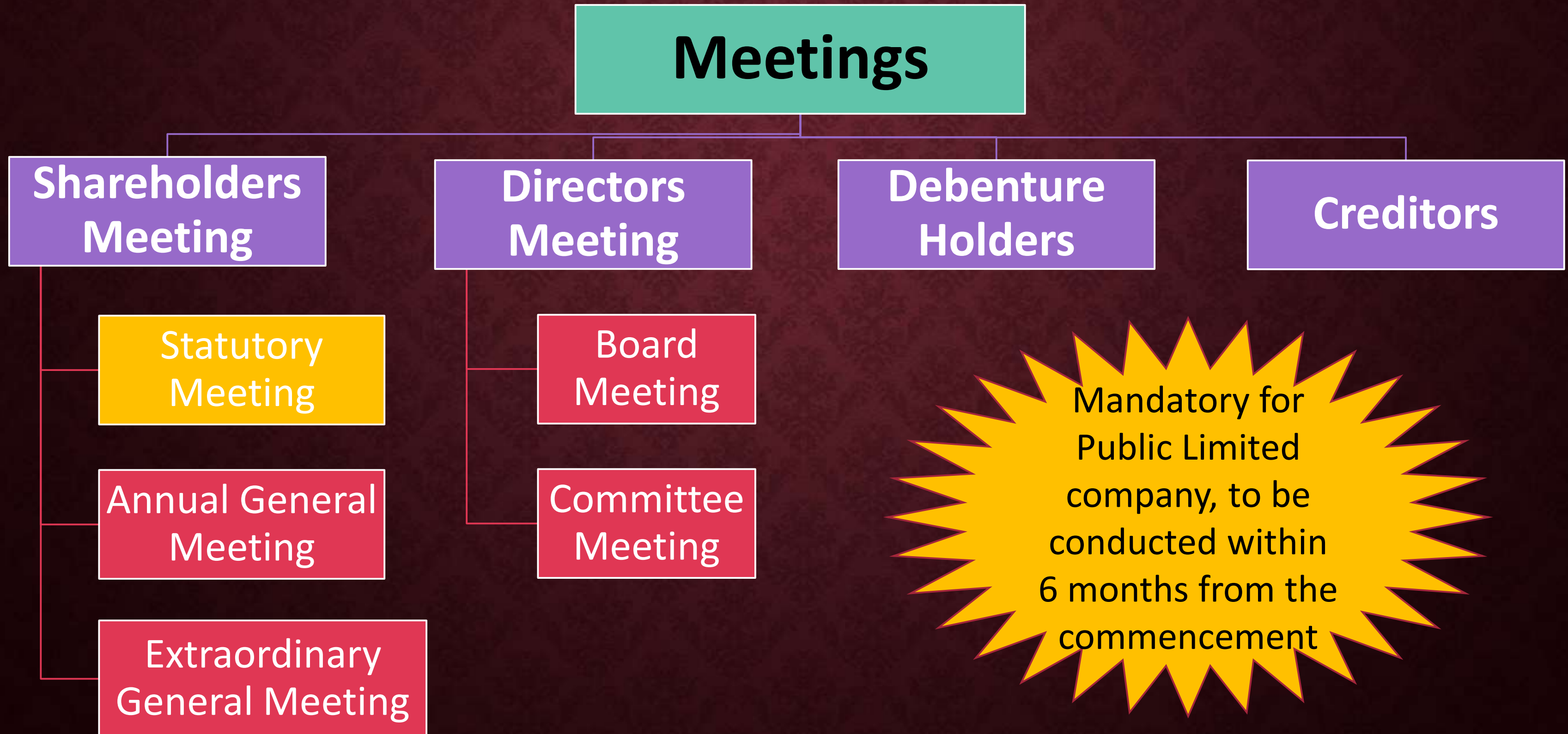
# The Companies Act, 2013

## Classification of Meeting



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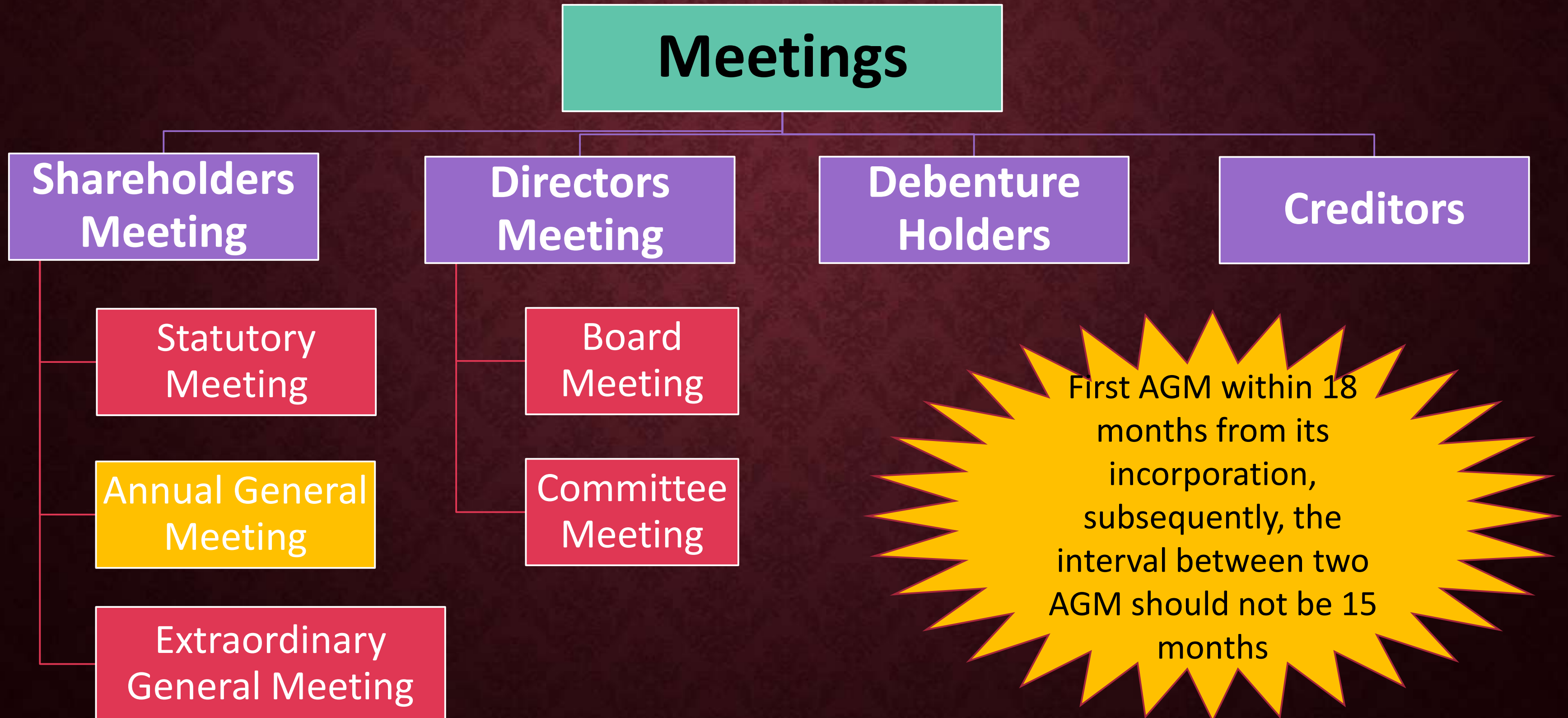
## Classification of Meeting





# The Companies Act, 2013

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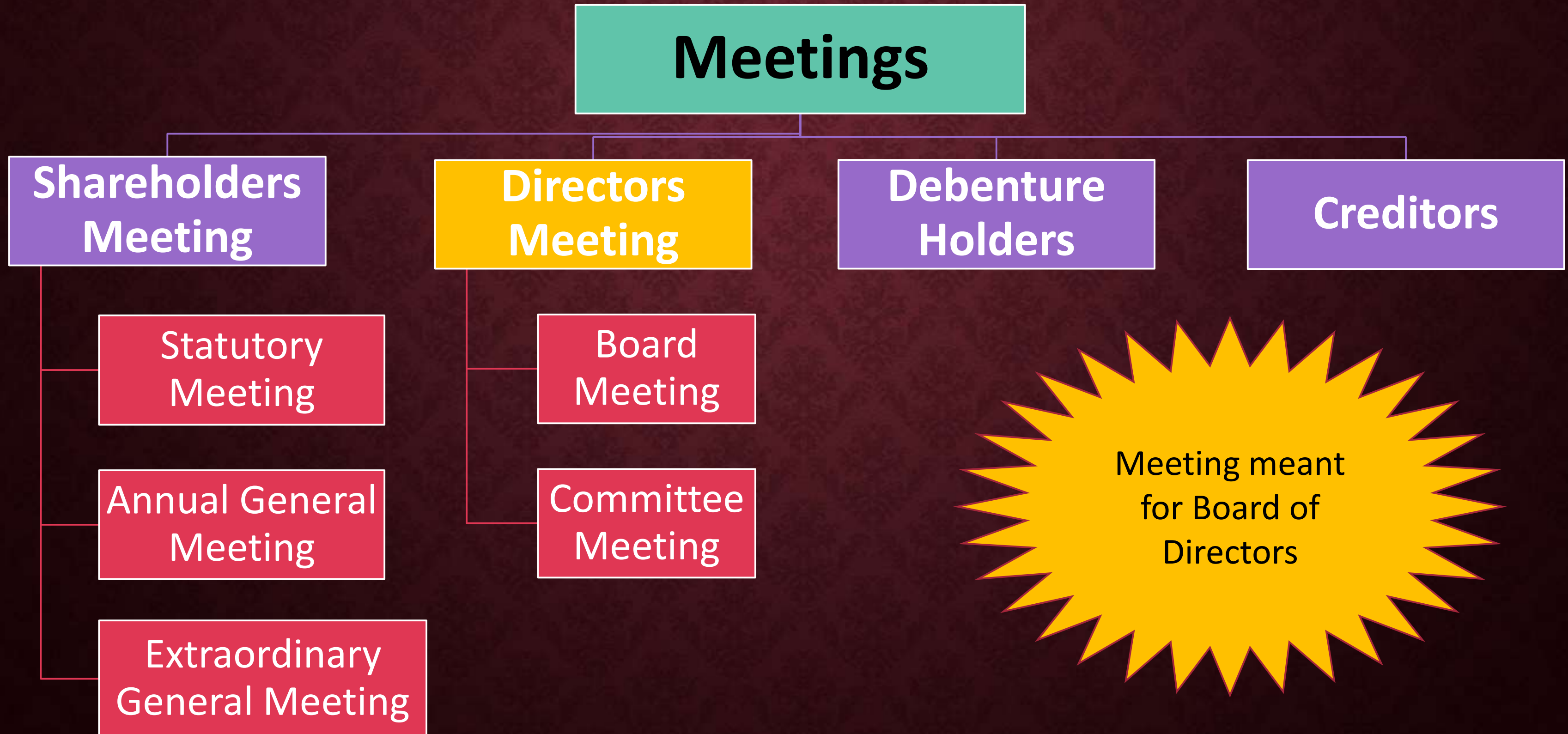
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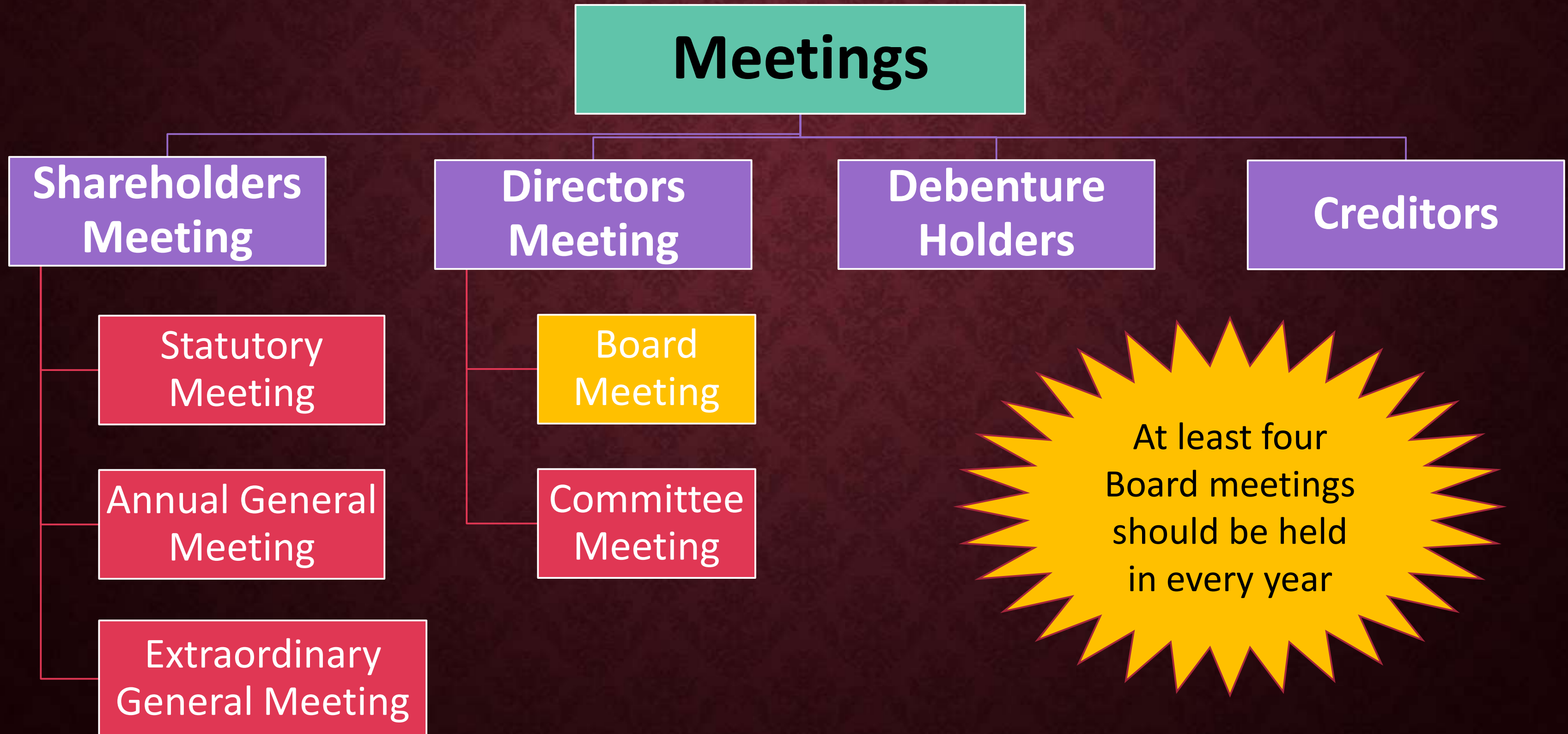
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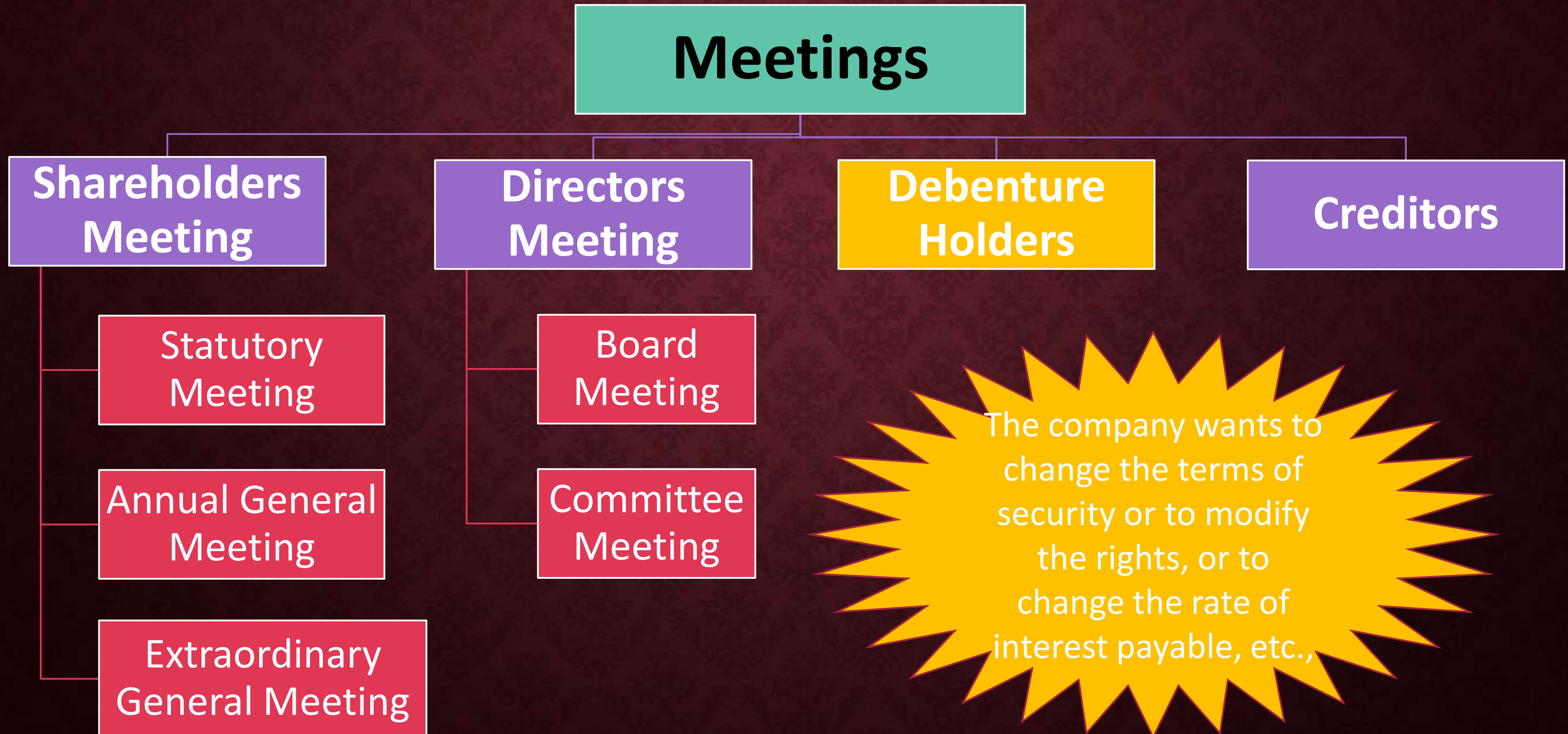
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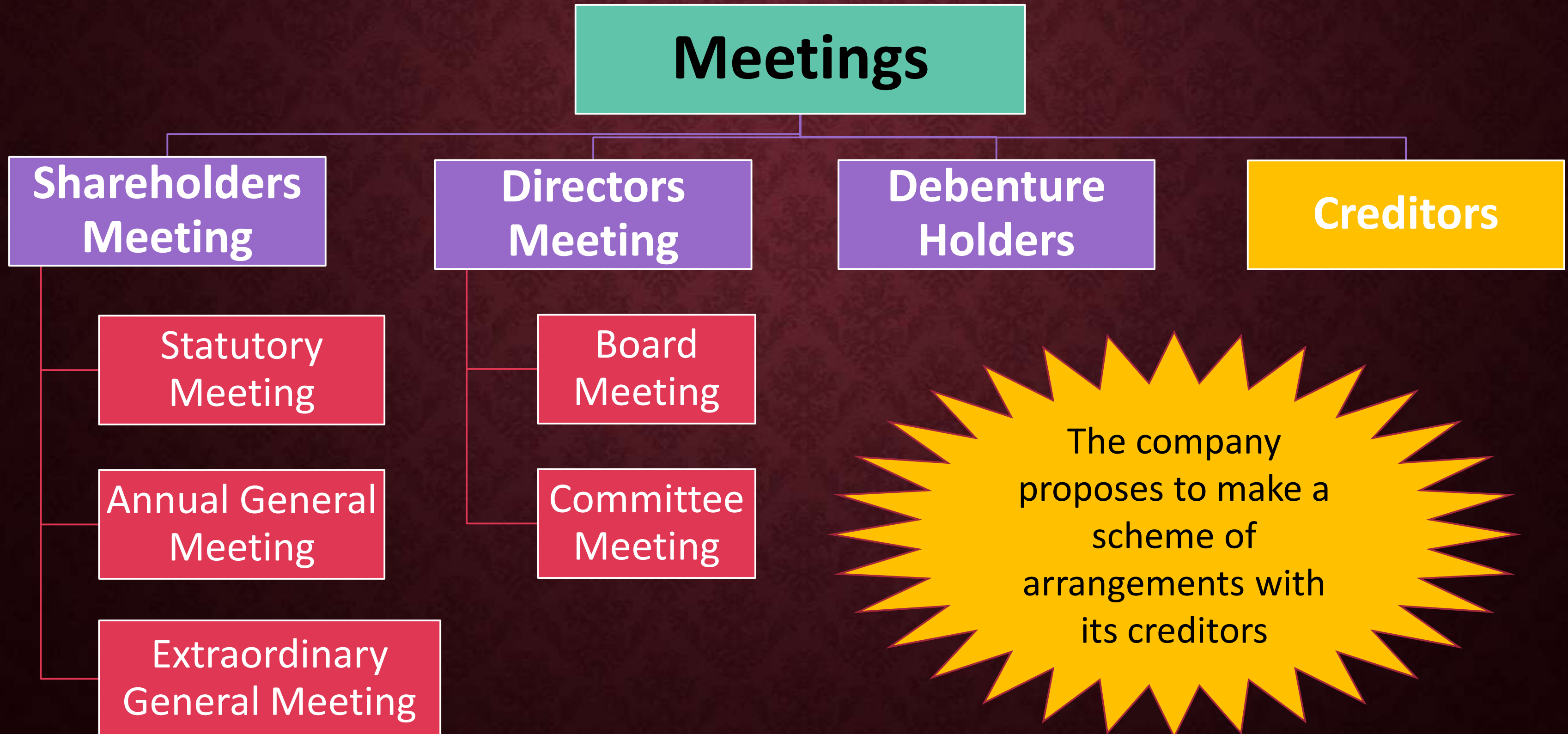
# The Companies Act, 2013

## Classification of Meeting



# The Companies Act, 2013

## Classification of Meeting





# The Companies Act, 2013

**Other aspects to be remembered during the Meetings**

Proxy

Quorum

Agenda

Minutes

# The Companies Act, 2013

## Other aspects to be remembered during the Meetings

### A. PROXIES

The term 'Proxy' may refer to a person who is authorized by a member for the purpose of attending the meeting. It also means the instrument by which the proxy is authorized.

The following points relating to proxies are worth nothing;

1. Members of a company having a share capital have a right to appoint proxies.
2. Proxy need not be a member of the company
3. Proxy can attend a meeting but he has no right to speak
4. Proxy cannot vote except on a poll
5. A member can appoint more than one proxy
6. The proxy form must be in writing, duly signed by the appointer and stamped. It must be lodged at the company's office 48 hours before the commencement of the meeting.



# The Companies Act, 2013

## Other aspects to be remembered during the Meetings

### B. QUORUM

The word 'Quorum' means the minimum number of members required to be personally present at a meeting for validly transacting any business. Usually the quorum is fixed by the Articles.

The quorum shall be two members personally present in the case of a private company and five in case of public company.

# The Companies Act, 2013

## Other aspects to be remembered during the Meetings

### C. AGENDA

Agenda means the list of business to be transacted at the meeting. It is generally prepared by the secretary in consultation with the chairman.

### D. MINUTES

The term minutes refers to accurate official record of decisions taken at various company meetings. Every company must keep the minutes containing summary of all proceedings of general and Board meeting in books. Minutes should be brief and factual. It should be so accurate as not to give for misinterpretation. It should be free from superfluous words.



# Review Questions

1. The duration between the subsequent Annual General Meeting is
  - a. 20 months
  - b. 18 months
  - c. 15 months
  - d. 16 months
2. The number of board meeting should be conducted per year.
  - a. 6
  - b. 4
  - c. 3
  - d. 12
3. The accurate official record of decisions taken at various company meetings is known as
  - a. Agenda
  - b. Articles of Association
  - c. Registers
  - d. Minutes

# Answer

1. The duration between the subsequent Annual General Meeting is

**Answer:** c. 15 months

2. The number of board meeting should be conducted per year.

**Answer:** b. 4

3. The accurate official record of decisions taken at various company meetings is known as

**Answer:** d. Minutes



# Thank You