

# Companies get three more months to hold AGMs till December end

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- 'This is for the first time that such relief generally is given to all companies,' said the statement

The Government on Tuesday gave three months extra time for businesses to hold their annual general meetings (AGMs) in view of the rising cases of coronavirus infections.

An official statement from the ministry of corporate affairs said the decision will benefit 12 lakh active companies. The earlier deadline of 30 September now stands extended to 31 December.

The ministry has asked registrars of companies (RoCs) to issue orders in this regard. Even applications already filed by companies seeking extra time but were not approved or rejected are also covered for this relief.

The ministry said it had received representations from various associations seeking extra time to hold AGMs. "This is for the first time that such relief generally is given to all companies," said the statement.

The statutory requirement for companies under the Companies Act, 2013 is to hold their AGMs within six months of the end of the financial year. If needed, companies can approach RoCs for extension. Audited accounts of companies are approved at AGMs.

Earlier, the government had relaxed the procedures so that companies could clear financial statements, report of the board of directors and proposals of mergers and acquisitions by videoconference till end of September. Tuesday's announcement giving extra time for holding AGMs comes at a time India has overtaken Brazil in the number of coronavirus cases reported. India has so far reported over 4.28 million coronavirus cases.