

## **Lecture 32**

### **Power of Company Law Board to Order Calling of Extraordinary General Meeting :**

If for any reason, it is impracticable to call a meeting of a company, other than an annual general meeting, or to hold or conduct the meeting of the company, the Company Law Board may, either i) on its own motion, or ii) on the application of any director of the company, or of any member of the company, who would be entitled to vote at the meeting, order a meeting to be called and conducted as the Company Law Board thinks fit, and may also give such other ancillary and consequential directions as it thinks fit expedient. A meeting so called and conducted shall be deemed to be a meeting of the company duly called and conducted.

### **Procedure for Application under Section 186 :**

An application by a director or a member of a company for this purpose is required to be made to the Regional Bench of the Company Law Board before whom the petition is to be made in Form No 1 specified in Annexure II to the CLB Regulations with a fee of Rs200. The petition must be accompanied with the following documents -

- ☐ Evidence in proof of status of the applicant.
- ☐ Affidavit verifying the petition.
- ☐ Bank draft evidencing payment of application fee.
- ☐ Memorandum of appearance with copy of the Board's resolution or executed vakalat nama, as the case may be.

### **D. Class Meeting**

Class meetings are meetings which are held by holders of a particular class of shares, e.g., preference shareholders. Such meetings are normally called when it is proposed to vary the rights of that particular class of shares. At such meetings, these members discuss the pros and cons of the proposal and vote accordingly. (See provisions on variations of shareholder's rights). Class meetings are held to pass resolution which will bind only the members of the class concerned, and only members of that class can attend and vote.

Unless the articles of the company or a contract binding on the persons concerned otherwise provides, all provisions pertaining to calling of a general meeting and its conduct apply to class meetings in like manner as they apply with respect to general meetings of the company.

## **II. Meetings of the Board of Directors**

- Meeting of the Board of Directors
- Meeting of a Committee of the Board

### **III. Other Meetings**

#### **A. Meeting of debenture holders**

A company issuing debentures may provide for the holding of meetings of the debentureholders. At such meetings, generally matters pertaining to the variation in terms of security or to alteration of their rights are discussed. All matters connected with the holding, conduct and proceedings of the meetings of the debentureholders are normally specified in the Debenture Trust Deed. The decisions at the meeting made by the prescribed majority are valid and lawful and binding upon the minority.