TRJ & CO.
COMPANY SECRETARIES

MCA UPDATES MAY 2020

Sr. No.	YEAR	DATE	UPDATE	PARTICULARS	REFERENCE
1	2020	11.05.2020	Clarification on dispatch of notice under section 62(2) of Companies Act, 2013 by listed companies for rights issue opening upto 31st July, 2020	Companies are facing difficulties in sending notices through postal or courier services due to coronavirus pandemic. Therefore, MCA granted relaxation incase of inability of dispatch of notice by listed Company under Section 62(2) of Companies Act, 2013 for Right issue opening upto 31st July, 2020. In other words, if such companies are not dispatching notice to the shareholders 2013 for Right issue opening upto 31st July, 2020 through registered post or speed post or courier then it would not be considered as the violation of Section 62(2) of Companies Act, 2013.	General Circular No. 21/2020
2	2020	05.05.2020	Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)	MCA vide its General Circular No. 18/2020, dated 21.04.2020 has already allowed the companies whose financial year ended on 31st December, 2019, to hold their AGM by 30th September, 2020. However on account of need for continuous adherence to the social distancing norms and restrictions placed on movement of persons, it has become necessary and hence it has been decided to allow companies to hold their annual general meeting (AGM) by Video Conferencing (VC) or other audio visual means (OAVM) during the calendar year 2020. Accordingly, the General Circular No: 20/2020 has been issued today for this purpose. The framework provided in the earlier Circulars for holding of extraordinary general meeting (EGM) would be applicable mutatis mutandis for conduct of AGMs during 2020, based on the classification of companies which are required to: (i) provide the facility of e-voting or have opted for the same, and (ii) those companies which are not required to provide such a facility. Owing to the difficulties in sending physical copies of the financial statements, the Circular allows the companies to send the financial statements, along with Board's reports, Auditor's reports and other documents required to be attached therewith, only through email. The companies are also required to provide a window to the shareholders for registering their mandate for transferring dividends electronically to them through the Electronic Clearing Service (ECS) or any other means. The measure has been taken to facilitate Companies to conduct their ordinary & special business through AGMs conducted by leveraging the Digital India platforms.	General Circular No. 20/2020