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# Introduction to the Annual General Meeting (AGM)

- **Definition:**

- An Annual General Meeting (AGM) is a yearly gathering of a company's shareholders.

- **Purpose:**

- To discuss the company's performance, financial health, and future goals.

- **Importance:**

- Provides transparency and accountability, allowing shareholders to make informed decisions.

# Key Objectives of an AGM



## 1. Review Company Performance:

- Presentation of annual financial statements and the directors' report.

## 2. Shareholder Involvement:

- Allows shareholders to participate in discussions and vote on significant matters.

## 3. Compliance Requirement:

- A legal requirement for many types of companies to ensure transparency.

# Agenda of an AGM

## 1. Approval of Financial Statements:

- Review and approval of annual accounts and reports.

## 2. Election of Directors:

- Appointment or re-election of board members.

## 3. Appointment of Auditors:

- Approval of external auditors for the next financial year.

## 4. Dividend Declaration:

- Discussion and approval of dividends to be paid to shareholders.



# Legal Requirements for an AGM

- **Frequency:**
  - Typically held once a year within a specified period after the financial year ends.
- **Notice to Shareholders:**
  - Proper notice (e.g., 21 days) must be given to shareholders before the meeting.
- **Quorum:**
  - A minimum number of shareholders must be present to proceed with the meeting.

# Roles and Responsibilities in an AGM



- **Chairman:**
  - Leads the meeting, ensures the agenda is followed, and manages discussions.
- **Company Secretary:**
  - Prepares minutes of the meeting, assists with legal compliance, and arranges the meeting.
- **Shareholders:**
  - Participate by voting on key issues, expressing views, and asking questions.

# Voting and Decision-Making in an AGM

- **Types of Voting:**
  - Shareholders vote on resolutions through methods like show of hands or proxy voting.
- **Resolutions:**
  - **Ordinary Resolution:** Requires a simple majority.
  - **Special Resolution:** Requires a higher majority, typically 75%.
- **Importance of Voting:**
  - Allows shareholders to influence company policy and leadership.





*Thank You*