

MCA removes restrictions on matters that can be dealt in a meeting convened via audio-visual means

Introduction

The Companies (Meetings of Board and its Powers) Rules 2014 prescribes certain specified matters that could not be dealt in a meeting convened through audio-visual means.

In order to remove difficulty arising due to COVID-19, the Ministry of Corporate Affairs (MCA), had earlier, permitted companies to deal with such restricted matters in a meeting convened through an audio-visual means till 30 June 2021.

Now, the MCA has further liberalised the provisions by omitting the restrictive rule.

Key highlights

The MCA has omitted Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, below matters can now be dealt by companies in a meeting convened through an audio-visual means:

- Approval of the annual financial statements
- Approval of the board's report
- Approval of the prospectus
- Audit committee meetings for consideration of financial statement including consolidated financial statement (if any)
- Approval of the matter relating to amalgamation, merger, demerger, acquisition and takeover