

COVID-19: MCA directs extending time to hold AGM by two months

Introduction

As per provisions of the Companies Act, 2013, every company is required to hold its Annual General Meeting (AGM) (other than the first AGM) within **six months** from the close of respective financial year. Further, there should not be a gap of more than **15 months** between two AGMs.

However, the Registrar of Companies (ROCs) may extend the time within which any AGM (other than the first AGM) can be held, by a period not exceeding **three months**.

Direction given by Ministry of Corporate Affairs (MCA)

- Due to the difficulties faced in view of the second wave of COVID-19 pandemic and consequent lockdowns, the MCA has directed ROCs to extend the timeline for holding the AGM by a company. The due date for holding an AGM by a company for the **Financial Year (FY) 2020-21** has been extended by a period of **2 months**.
- Accordingly, ROCs (by way of issuing specific orders) have given effect to MCA's directions of extending the timeline of AGM (other than the first AGM) by 2 months from the due date. Please click [here](#) to view the orders issued by concerned ROCs.
- The ROC order specifically states that -
 - All applications submitted to ROCs as on the date for extension of AGM for the FY 2020-21 stands approved.
 - All applications rejected by ROCs for extension of AGM for the FY 2020-21 shall also stand approved.
 - Further, applications already approved by ROCs extending the timeline by three months will not be covered by these orders. However, companies that have been granted extension for a period lesser than two months may avail the benefit of these orders.