

Circular 01/2020- Guidelines on conduct of AGM by Multi-State Cooperative Banks

Ref. No. R-11017/101/2015- L&M

August 25, 2020

To,

All Multi-State Cooperative Banks,
All Registrar of Cooperative Societies,
All Stakeholders.

Subject: Holding of Annual General Meeting (AGM) through video conferencing or Other Audio Visual Means (OAVM)-reg.

Sir/ Madam,

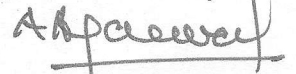
1. This authority has received various references/ requests by Multi-state cooperative banks (hereinafter referred to as 'banks') regarding their inability to conduct AGM on time. The issue arises on account of recent pandemic, COVID-19, due to which the AGM could not be conducted in the conventional way and the banks have sought guidance of this authority to conduct AGM through video conferencing or other Audio-Visual means (OAVM).
2. In view of the extraordinary situation created by COVID-19 and keeping in view the necessity of holding AGMs as a business requirement, it has been decided that banks be allowed to conduct their AGM through video conferencing or other Audio-Visual means (OAVM) subject to fulfillment of necessary conditions. It may be mentioned that the banks who do not wish to conduct AGM through video conferencing or other Audio-Visual means (OAVM) may proceed in the conventional way and can request this office for extension of time period.
3. For the banks opting to conduct their AGM through video conferencing or other Audio-Visual means (OAVM), the following guidelines/ conditions may be followed:
 - i. An advance notice of not less than thirty days shall be given to each and every member of the concerned bank instead of fourteen days as stipulated in rule 15(1) of the MSCS Rules, 2002.
 - ii. The bank will serve an SMS/ email to all its members about online AGM.
 - iii. The notice shall be displayed digitally or on the notice board in all branches and offices along with the website of the Bank.
 - iv. The notice of annual general meeting shall be accompanied by all necessary documents pertaining to the agenda items. However, election related issues cannot be taken in the electronically held AGM.

- v. To ensure that each and every member is informed of the agenda and given an opportunity to vote in the meeting, it shall be responsibility of the concerned bank to contact all those members whose e-mail addresses are not registered with them over telephone or any other mode of communication for registration of their e-mail addresses, before sending the 30 days notice for meeting to all its members. All efforts should be made in this direction.
- vi. Bank shall cause a public notice by way of advertisement to be published at least once in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the bank is situated and having a wide circulation in that district, and at least once in English language in an English newspaper having a wide circulation in that district, preferably both newspapers having electronic editions and shall specify in the advertisement the following information:
 - a. a statement that the AGM is proposed to be conducted through VC or OAVM in compliance with applicable provisions of the Act / Rules and this Circular;
 - b. the date and time of the AGM to be conducted through VC or OAVM;
 - c. availability of Notice of AGM on the website of the bank;
 - d. the manner in which the members who have not registered their email addresses with the bank can get the same registered with the bank;
 - e. Any other detail considered necessary by the bank.
- vii. The bank may also provide email id and password to the members in their domain name whose e-mail addresses are not registered with them.
- viii. All efforts should be made to ensure participation of members in the AGM through two-way communication etc.
- ix. For the purpose of conducting AGM through video conferencing or other Audio-Visual means (OAVM), the banks may choose any independent agency who have proven expertise in this field say, NSDL/CDSL.
- x. The chronology for conducting virtual AGM may be followed as under:
 - a) Day 1: Introduction to Agenda may be held in AGM which shall be webcast.
 - b) Day 1 & 2: Thereafter, members to post question/ query electronically.
 - c) Day 3: The bank shall reply to the queries and post the same on the website.
 - d) Day 4 & 5: The voting shall be open for the entire day 4 & day 5. This shall take care of technical glitches, connectivity problem, convenience of the member etc.
- xi. The bank will ensure that the proceedings of the meeting are recorded and the recorded transcript of the meeting held through VC or OAVM shall be maintained in safe custody of the Bank.

- xii. The above provisions are only to take care of the specific circumstances prevailing in view of the COVID-19, and shall be applicable till 31.12.2020 or earlier depending upon the situation.
- xiii. The responsibility for hosting the virtual AGM and ensuring participation of all shall be with the Chairman of the concerned bank who shall submit an affidavit stating that all efforts have been made in this direction.
4. This is an enabling facility and it shall be open to Multi-State Cooperative Banks only.

This issues with the approval of Central Registrar of Cooperative Societies.

Yours faithfully



(Alok Agarwal)

Director (Cooperation)

Copy to:

1. PPS to Secretary (DAC&FW)
2. PPS to JS (Cooperation)
3. Guard file
4. Lead Programmer, NIC for posting on the MSCS website www.msos.dac.gov.in