



Photo: Mint

SBI to hold virtual meeting of shareholders on 17 June

1 min read . Updated: 10 Jun 2020, 06:22 PM IST [Jayshree P. Upadhyay](#), [Shayan Ghosh](#)

- This seems to be a change from earlier expectations of a physical meeting of shareholders despite covid outbreak
- Entities that have been created under a special act of Parliament, mostly overrule all other applicable regulations

MUMBAI : India's largest lender State Bank of India will hold its annual general meeting on 17 June via video conferencing in accordance with norms issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (Sebi).

The lender said that its shareholders will be allowed to e-vote for electing four directors as per the provisions of the SBI Act and SBI General Regulations, 1955.

“Keeping in view the well-being of all stakeholders and to comply with the lockdown restrictions, the bank has avoided physical meetings for major events in the past few months,” it said.

This seems to be a change from earlier expectations of a physical meeting of shareholders despite the covid-19 pandemic. According to Amit Tandon, chief executive, Institutional Investor Advisory Services (IIAS) SBI was compelled to hold physical EGM in June by virtue of provisions of the SBI Act.

"This was contradictory to the rationale behind national lockdowns to contain the spread of Covid-19. The government has refreshed the provisions, so that public shareholders can enjoy the same shareholder rights as in any other listed company," said Tandon.

Entities that have been created under a special act of Parliament, mostly overrule all other applicable regulations. So even if Securities and Exchange Board of India (Sebi) and Ministry of Corporate Affairs (MCA) had allowed to hold virtual EGMs, SBI need not follow them. The SBI Act allowed for votes to be taken either by show of hands or by a poll.

This is an important shift, since decisions will be weighed by actual shareholding, rather than by those that have the time to attend a general meeting, said Tandon.