Date: .....

Name:-

M. Akhtar

Roll number:-

F23 - 1066

Semester:-

6th

Section:-

A

Subject:-

law of business

Topic:-

1- Winding up

2- Meeting and Resolution

Professor:-

Mr. Irfan Kashfeet.

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CamScanner

Date: .....

Winding Up of Company.

Introduction:

Winding up is a legal procedure or means the end of the life of a company. It involves the permanent closure of the company's business.

A company is an artifical person and its existence is terminated by law.

Definition:

Winding up is the process in which a company comes to an end and its property is used to pay creditors and then distributed among members.

Modes of winding up

1. By the court (Compulsory winding up)
2. Voluntarily by the company
3. Under the supervison of court.

Compulsory winding up by Court.

When court orders a company to close, it is called compulsory winding up.

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Grounds for Compulsory winding up.

(i) **By Special Resolution**
If company passes a special resolution for winding up by the court.

(ii) **Failure to submit statutory Report**
If company fails to submit statutory report to the registeros.

(iii) **Failure to Hold statutory meeting.**
If the company does not hold statutory meeting the prescribed time.

(iv) **Failure to Hold Annual General meeting. (AGM)**
If company fails to hold two consecutive AGMs.

(v) **Delay in Commencement of Business**
If public company does not start business one year of incorporation or suspends business for a whole years.

(vi) **Reduction in Members**
⇒ Public company: less than 3 members
⇒ Private company: less than 2 members

(vii) **Unlawful Activities.**
If company is involved in illegal activities.

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Failure to Pay Debts.

If company is unable to pay debts.

Failure to Maintain Account.

If proper account are not maintain.

Ceases to be a Listed Company

If company is no long listed.

Just and Equitable

If the court considers it just and equitable to wind up the company

Voluntary Winding up

1. Members' voluntary winding up.
2. Creditors voluntary winding up

Members voluntary Winding up

Conditions

1. Expiry of Period.

If the fixed duration of company expires.

Date: .....

By special Resolution

If member pass a special resolution.

Statutory Declearation

Director declare that

The company has no debts or

It can pay its debts within one year.

Final Meeting

Final accounts are presented to shareholders.

Disalution:

The company is disolved after three months of submitting accounts to Registerar.

Creditors Voluntary Winding Up

Meaning: This occurs when the company is insolvent and no declarat of solveny is made.

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Procedure:

(i) A meeting of creditor is called
(ii) A liquitator is appointed
* Final account are presented
* A report is sent to the Registrar
The company is dissolved after three mon

Consequences of Winding Up

(i) **Assets**
All assets are taken into control by the liquidator.

(ii) **Share**
Transfer of shares becomes void

Shareholder
They must contribute if required

Members
Any change in status becomes void

Creditors
* Insolvent: insolvency rules apply
* Solvent: all claims are accepted

Employees
All employee are discharged

Officer
Director loose their powers.

Costs.
All expenses are paid forum compa assets

Date: .....

Commencement of Voluntary Winding up.

* Ordinary resolution
* Special resolution

Who May Petition for Winding Up

* The Company
* Shareholders
* Creditors
* Registrar
* SEBP

Conclusion

Winding up is the legal process that bring the life of a company to an end. It ensures that all affairs are proper settled.

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Topic Meeting

Introduction:

A meeting means a gathering of two or more persons at specific time and pleace to discuss and decide business matter.

Kinds of Meeting

1. Statutory Meeting
2. Annual General Meeting (AGM)
3. Extraordinary General Meeting (EOGM)

Held by:

- Company limited by shares
- Companies limited by guarantee.
- Private Companies converted into public companies

Time:

It must be held not earlier than 3 month and not letter than 6 month from the date of the company is entitled to start business.

Notice: At least 21 days notice must given to all shareholder.

Date: .....

Purpose:

(1) To provide details about formation of the company.
(2) To inform about capital raised from the public.
(3) To explain property acquired by company
(4) To discuss use of money received from shares
(5) To review the company's progress.

Business of Meeting.

(i) To discuss statutory report
(ii) To gain confidence of shareholder
(iii) To provide updated information.

Right of Members.

Members can freely discuss any matter related to the formation of company.

Default:

If the company fails to hold this meeting, it may be wound up under Law.

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Annual General Meeting (AGM)

AGM is a yearly meeting of shareholder where company performance is discussed

Called By

Directors

Notice:

At least 21 day before the meeting

Place:

Usually held in the city where the registered office is located.

Key Features

* First AGM must be held within 18 month of incorporation.
* Gap between two AGM must not exceed 15 months.
* It is the duty of the company to held AGM.

Objects (Purpose)

* Election of directors
* Appointment of auditors
* Declaration of dividends
* Approval of annual accounts.

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Date: .....

Default.

If company fails to hold AGM, it may be wound up by the court.

Extraordinary General Meeting (EOGM)

Define:

Any meeting other than AGM and statutory meeting is called an extraordinary general meeting.

Called by

(1) Directors
Whenever urgent business arises.

(2) Shareholders.
If the hold at least 10% voting power.

If directors fail:

shareholders can call the meeting themselves with 3 months.

Notice:

At least 21 days

Objects (Purpose)

- To issue debentures
- To change memorandum of Association
- To alter share capital
- To deal with urgent or special matters.

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Time Limit.

There is no fixed time; it is held whenever needed.

Conclusion:

Meeting are essential for the proper management of a campany. They help in decision making and ensure that shareholder remain informed.

Date:

Topic:
Resalution of Company:

Define:
A resalution is a formal decision taken by member of directors of a company in a meeting. It is passed after voting and becomes legaly bingin

Kinds

① Ordinary Resolution.
An ordinary resolution is passed when a simple majority of members vote in favor of the resolution.

Example:
Appointment of directors
Appointment of Auditors
Approval of account

② Special Resalution
A special resolution is passed when at least 75% majority of member vote in favor of it.

Points:
21 days notice required.

Date: .....

Example:

Change in memorandum of association
Change in company name.
Reduction

Resalution with special Notice

Require special notice before meeting

Example:

Removal of directors

Conclusion.

Resalution are used to makes official decision in a company.