

Company Law

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Types

- Public
- Private
- Holding and Subsidiary
- Companies limited by shares/guarantee/unlimited
- Corporations
- Public Financial Institutions

FORMATION

- PROMOTER and his role
- Pre – Incorporation Contracts

Documents for Incorporation

MOA

AOA

Agreement with MD/Director/manager

Qualification shares

Statutory Declaration.

- Effects of Incorporation

Commencement

- Not required in the case of Private Companies
- Link with prospectus
- Minimum subscription
- Director's shares

DOCTRINES

- CORPORATE VEIL
- ULTRA VIRES
- CONSTRUCTIVE NOTICE
- INDOOR MANAGEMENT
- CORPORATE GOVERNANCE

DIRECTORS

- ROLE
- TYPES
- APPOINTMENT
- POWERS

Role of Directors

- Section 291 which states that the Board of Directors can do all those acts which a company can do. This leads to the principle of Agency i.e. the Board of Directors are agents of the company. However it may be noted that this applies to the whole Board and not individual Directors.

Role of Directors (continued)

- The Directors have a fiduciary relationship with the company i.e. a relationship of trust and faith.(please note that it does not extend to the shareholders).
- Four duties of Director (Prof Gower)
 - to act in interest of company
 - to act within the parameters
 - not to put himself in a position of conflict where his personal interests clash with the company's
 - his responsibility cannot be fettered(delegated)

TYPES

- Managing Director
- Whole Time Director
- Part Time Director
- Independent Director
- Nominee Director
- Additional Director
- Alternate Director

APPOINTMENT

- By the Articles of Association
- By the Shareholders